6 JANUARY 1950

4, 6-12

NOTES OF THE MONTH 28 JAN 195

ombo Conference; Peasants and the Land in Southern Ita

The New Trade Union International

AUSTERITY AND ENTERPRISE IN ISRAEL

ECHOSLOVAKIA UNDER COMMUNIST RULE

SETTLEMENT IN INDONESIA

The Final Phase

REECE: THE AFTERMATH OF CIVIL WAR

THE WORLD TODAY

Volume VI No 1. January 1950

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, with its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, is issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	12*s*. 6*d*.
Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*)	17*s*. 6*d*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.

THE WORLD TODAY

Volume VI No. 2 February 1950

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, with its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, is issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (*12 issues a year*) 12*s*. 6*d*.

Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (*24 issues a year*) 17*s*. 6*d*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

THE WORLD TODAY

Volume VI *No.* 3 *March* 1950

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, with its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, is issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1. *Telephone: Whitehall* 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	12*s*. 6*d*.
Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*)	17*s*. 6*d*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

THE WORLD TODAY

Volume VI No. 4 April 1950

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, with its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, is issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1
Telephone: *Whitehall* 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	12*s*. 6*d*.
Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*)	17*s*. 6d.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI *No.* 6 *June* 1950

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, with its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, is issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 12*s*. 6*d*.

Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*) 17*s*. 6d.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 7 July 1950

CONTENTS

---

nded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, . its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, sued from the Information Department of the Royal Institute of Inter-onal Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (*12 issues a year*) 12*s.* 6*d.*

Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (*24 issues a year*) 17*s.* 6*d.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 8 August 1950

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, with its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, is issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 12*s.* 6*d.*

Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*) 17*s.* 6*d.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 9 September 1950

CONTENTS

ıed in 1924 as the *Bulletin of International News*, THE WORLD TODAY, ts Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, ıed from the Information Department of the Royal Institute of Interıal Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor: JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

'HE WORLD TODAY (12 *issues a year*) 12*s*. 6*d*.

iupplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*) 17*s*. 6*d*.

)rders may be sent to booksellers and newsagents or to the Royal nstitute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 10 October 1950

CONTENTS

---

nded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, sued from the Information Department of the Royal Institute of Inter-onal Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone *Whitehall* 2233

Editor JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 12*s*. 6*d*.

Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*) 17*s*. 6*d*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 11 November 1950

CONTENTS

ınded ın 1924 as the *Bulletin of International News*, THE WORLD TODAY, h its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, ssued from the Information Department of the Royal Institute of Inter- ıonal Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone *Whitehall* 2233

Editor JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	12*s*. 6*d*.
Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*)	17*s*. 6*d*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 12 December 1950

CONTENTS

ɪnded in 1924 as the *Bulletin of International News*, THE WORLD TODAY, h its Supplement CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS, ssued from the Information Department of the Royal Institute of Interɪonal Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone *Whitehall* 2233

Editor JOHN BOWLE

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	12*s*. 6*d*.
Supplement: CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS (24 *issues a year*)	17*s*. 6*d*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume VI No. 1 January 1950

*

Notes of the Month

The Colombo Conference

THE news that a meeting of the Foreign Ministers of the Commonwealth countries is to be held early in January in Colombo is very welcome. It was agreed at the Prime Ministers' Conference of October 1948 that a meeting of Commonwealth Foreign Ministers should be held in Ceylon at the earliest possible opportunity; but the intention to hold it during the first half of 1949 could not be realized owing to the other pressures upon Ministers' time. It is the first time that Ceylon has been chosen for a meeting of this kind; and not only is it an appropriate and convenient site for most members of the Commonwealth, but also its selection is a well-deserved tribute to one of the newest of the Dominions, who rose from Colonial to Dominion status by the traditional procedure contemplated by constitutional experts.

The forthcoming conference is also in itself of considerable interest. In recent years the affairs of the Commonwealth have been dealt with very largely by meetings of the Prime Ministers themselves. This has much to recommend it so long as the Prime Ministers are available for conferences outside their own countries; but in actual practice—effectively though these Prime Ministers' meetings have worked—they have taken place less frequently than circumstances have made desirable. So the recent trend towards devolution of responsibility from heads of Governments to their colleagues is timely. One recent and notable indication of it was the meeting of the Commonwealth Finance Ministers in London last July. Doubtless the precedent would have been set by meetings of Ministers of External Affairs at an earlier date had not the practice grown up in the Commonwealth of associating the External Affairs Portfolio with that of Prime Minister. The separation of these two offices, which has now become general, facilitates inter-Commonwealth consultations at ministerial level,

and it is to be hoped that full use is to be made of the advantages it offers.

The meeting of the Commonwealth Foreign Ministers will be mainly concerned with foreign affairs in the broad sense of the term; and since the meeting is taking place in Asia, it can confidently be assumed that the problems presented by the Communist victories in China will be very carefully considered. At the same time, this external field will not fully preoccupy the time of the conference. Mr Menzies, the new Prime Minister of Australia, has indicated that he is anxious for full discussions as well on Commonwealth co-operation in the economic field; and to make this possible, experts are coming from most of the Commonwealth countries. One of the advantages which should spring from the generally satisfactory settlement of outstanding constitutional issues is that co-operation in dealing with practical problems is thereby rendered easier and more uninhibited. That certainly was the verdict at the recent unofficial Conference on Commonwealth Relations at Bigwin.

Peasants and the Land in Southern Italy

AT the end of October, at the beginning of the autumn sowing, there occurred the first of a series of mass movements by which the peasants of Southern Italy 'occupied' land belonging to absentee landlords. They began the formation of primitive co-operative societies, and set about cultivation. These movements started in Calabria, spread to Apulia, and have now been reported from the Roman Campagna. There have been clashes with the police in some places. Such movements are not altogether new in Italy. They have occurred in earlier years in Sicily and elsewhere. In the South they have never succeeded in modifying permanently the system of tenure and cultivation. In the North they have resulted in the establishment of stable and highly efficient co-operative farms.

The movement in the South seems, as far as one can judge, to have been, in the first instance, spontaneous, though it seems likely that nearer Rome political influences also played a part. The peasants have moved in the interval between the announcement of a policy of land reform, made in general terms by the Premier, Signor de Gasperi, last summer, and the presentation of a definite legislative proposal to the Italian Parliament. That interval has been prolonged, not only on account of the interests involved, often

ose of supporters of the Christian Democrat Government, but ecause of the real difficulty of devising a land reform which shall e equally applicable to the intensively cultivated estates of uscany or the Po Valley and the half cultivated wheatlands and ieepruns of the Southern *latifundia*.

The poverty of the Southern peasant is notorious. The land self is poor, arid, and eroded, where it is not waterlogged. Until e introduction of D.D.T. at the end of the war much of it was alaria-ridden marsh. Population increases rapidly, there are no dustries of importance, and no opportunities for emigration. andlords are usually absentees whose only interest is in the rents ey receive. They may be owners of large estates, managed rough principal tenants or agents, or they may be urban middle-ass people who have acquired small patches of land as an invest-ent. Such investments are profitable, as the competition for land nong the peasants makes rack-renting easy. Rents are paid in nd. Holdings are often scattered in small fragments, distant both om one another and from the peasants' own wretched dwellings.

In addition to the tenant farmers, and a certain number of small oprietors, there are many landless labourers who work seasonally ı those portions of large estates which are not let, but farmed the landlord's agent. They are paid a wage which until recently as about 3s. 6d. a day in a land of high prices, and are unem-oyed for half the year.

The move to occupy some of the great estates has been met by e Italian Government with immediate concessions. These nount to an anticipation of the portion relating to Calabria of e general plan for land reform legislation drawn up by On. egni, the Minister of Agriculture. The plan as a whole has still be passed by Parliament. Land marked out for reclamation in alabria is to be formally transferred from its present owners to ıblic authority, if not to the peasants themselves. Similar trans-rs are promised elsewhere. These concessions, however desir-ıle, have an appearance of yielding to illegal action, but the overnment may be not wholly reluctant to have its hand forced. rastic action can thus be taken in the South, where it is most eded, without the Government being bound by the provisions a land reform act also applicable to the North, where the situa-on is different and much less acute.

But the transfer of the land is not in itself a solution. In its esent condition the area in question is only suited for extensive

wheat growing and sheep farming. Divided into small family farms (even if houses and household water supply could be provided) it would not support more people than it does now, and might not even support as many. Not only is carefully organized co-operation needed, but large-scale, costly reclamation, especially irrigation, will be necessary if intensive cultivation is to be introduced and a larger population either of peasant owners or co-operative cultivators is to be maintained at a reasonable standard of life. Schemes of this kind have been initiated in some areas, but the cost is very high, and will almost inevitably prove to be beyond the unaided resources of the Italian State. At present it is being met to a considerable extent by E.R.P. funds, the continuation of which is uncertain.

The New Trade Union International

DELEGATES of eighty-seven organizations from fifty-three countries, representing more than forty-six million members of non-Communist trade unions, together with representatives of the International Trade Secretariats, assembled in County Hall, London, for a twelve-day conference from 28 November to 9 December. Their object was to establish the International Confederation of Free Trade Unions (I.C.F.T.U.). The World Federation of Trade Unions (W.F.T.U.) set up in the same place in the halcyon days of 1945 has proved a failure owing to the ideological conflicts which have since sundered international political life. In January last the American, British, and Netherlands trade unions led the secession from that Communist-controlled body. A Preparatory Commission met in Geneva in June and laid the foundations of the new organization.

The present conference met to elect officers and to approve the draft constitution as modified in committee. It then transformed itself into the First Congress of the new organization. M. Paul Finet (Belgium) is the President, and Mr J. H. Oldenbroek (Holland), the experienced secretary of the International Transport Workers' Federation, was unanimously elected Secretary-General. They are assisted by a General Council of some eighty persons, and there is an Executive Board of nineteen members representing the various regions of the world, with four for North America, two for Great Britain, and five for Continental Europe. The inclusion of five delegates for Continental Europe (instead of four, as was originally proposed) allows for the representation, for the time

ng, of both France and Italy, in view of the special circumstances Communist ascendancy in the principal unions of both those ıntries. The Board is to meet at least twice a year.

[he T.U.C., it will be noted, still maintains the tradition of arding Britain as a separate entity detached from the rest of rope. With an affiliated membership of 7,937,000, the British de union movement will be making the largest individual con-ıution to the funds of the Confederation, which amount to r £25,000, and there was a strong feeling here that the head-ırters of the new organization should be London. But the ıericans put up a formidable opposition, on the ground that it ı important to avoid even the suspicion of domination of the v 'International' by any one great Power. They favoured Paris. the event Brussels was the compromise solution, on the strength ın American undertaking that any currency difficulties will be t through the provision of dollars from American trade union ds.

3oth the big American Unions, A.F. of L. and C.I.O., were ›ngly represented. This is the first conference of this kind ich the two American organizations have attended together, l they were responsible for some rousing anti-Communist :larations.

[he only discordant note was on the question of the various ıristian' or denominational unions that thrive in many European ıntries and in Canada. The Preparatory Committee had invited y those 'Christian' unions which the national centres in the ıntries concerned were willing to accept. This implied, as nor Pastore (Italy) said, giving a right of veto to those organiza-ıs of a social democratic character with which the T.U.C. has n closely connected in the past. The national centres of Bel-m, Holland, and Switzerland had thus blocked the affiliation of ıristian' trade unions. Only France, where the Force Ouvrière anization, itself a minority body, maintains close relations with long-established Confédération de Travailleurs Chrétiens, had ısented to their inclusion. Following strong pressure behind the nes from the American unions, a face-saving formula was ised whereby the other 'Christian' organizations, affiliated to so-called Christian International, were admitted, on the under-ıding that they severed their connection with it before the next ıgress of the I.C.F.T.U. in two years' time.

Austerity and Enterprise in Israel

THOUGH more than a year and a half has elapsed since the establishment of the State of Israel, it is still not easy to form a general picture of how life is developing in the changed conditions there. The present article, written by a business man who spent some time in Israel during the late summer of 1949, aims only at giving some impressions which may help to build up such a general picture, and at describing some of the internal problems now facing the new State. No attempt has been made to deal with the wider international implications of Israel's emergence as a body politic in the Middle East.

When the State of Israel was proclaimed on 14 May 1948, the circumstances attending its birth could hardly be described as auspicious. Any new State expects to have to deal with economic and administrative problems. It has to organize its civil service, provide for its people, establish its position internationally, and lay the foundations of an independent life in every branch of its activities. Israel, apart from having to deal with these routine difficulties, was faced with two major problems of a kind that do not normally fall to a new State in the early stages of its career. It was fighting for existence against the neighbouring Arab States, and, because of its declared policy of unrestricted entry, it had to find ways of absorbing a rapidly increasing stream of immigrants from Europe and other parts of the world.

The first problem has at least been partially solved by the cessation of hostilities and the signing of armistices with the surrounding Arab States, although the lack of any permanent peace settlement has made continued heavy expenditure on defence necessary as a safeguard, and has caused the retention in military service of skilled labour which Israel can ill afford to do without. On the other hand the problem of absorbing the increasing flow of immigrants is one which will face the Israel Government for many years to come. Within the first nineteen months of Israel's existence about 400,000 new immigrants had already reached the country.

THE PROBLEM OF IMMIGRATION

Any day of the week one can stroll along Haifa Bay and watch

) and immigrant vessels arriving with their loads of new
:rs for Israel. It was interesting to judge for oneself the various
; of people entering the country. One transport vessel, for
nce—the S.S. *Azmauth*—had collected its cargo of immi-
:s from a transit camp at Bari, where prospective settlers had
ed from Czechoslovakia, Poland, Rumania, Bulgaria, Yugo-
ı, Hungary, Germany, Italy, and Austria. The majority were
g people, ranging in age between twenty-two and thirty-five,
t two-thirds men and one-third women, many with children
ɔabies. Most of them were poorly clad but looked physically
nd all had a look of hope and joy in their eyes at having
ıed their new home. Entry procedure was conducted quickly
efficiently under the supervision of officers in the Israel
7. Each immigrant passed through a disinfecting station, a
mentation hall, and customs and immigration formalities,
was then transported by bus to a transit camp.

ıe types of immigrants are very varied. It would be biased to
ne that every transport brings into Israel valuable new
rial for the country. While the younger generation of immi-
:s is usually idealistic and eager to play a useful part in the
ıstruction of Israel, there are many who feel, perhaps because
eir past sufferings, that the State owes them a living, and who
little desire, for instance, to work on the land or do the many
; of pioneering work which, although vital to Israel, involve a
in amount of hardship and sacrifice. In addition, not all
igrants come from Europe. Many are oriental Jews from
h Africa and Yemen, most of whom have adopted Arab
ıms and ways of living, and whose education and standards of
; are far below those of the European Jew.

ıe might well wonder why the Israel Government has taken
isk of allowing immigration on a far greater scale than the
ıated Budget allowed, and much larger, at least from a short-
financial point of view, than the country can afford. The
er is that in the eyes of the Israel Government it is imperative
tablish the Jewish State as quickly as possible and to see to it
no obstacles are placed in the way of any Jew wishing to come
rael and escape from his present surroundings while there is
time. On the other hand people are quite prepared to admit
ın increased population forms a ready source of manpower in
:vent of further attacks on Israel by the surrounding Arab
s.

THE RECONSTRUCTION PROGRAMME

The Government does not underestimate the gravity of the economic and social problems involved in absorbing such a large number of immigrants, but it is convinced that it is possible to find a solution, not by restricting entry, but through development and the expansion of efforts to promote housing, agricultural settlements, and employment. In order to achieve this end the Government is attempting to adapt the country's entire economic structure to the needs of immigration and development. All available resources that can be spared are to be directed to essential purposes of reconstruction and production. The inflow of private and public capital for investment is to be encouraged, and industrial and agricultural output is to be increased by modernization of plant and equipment and by more efficient and economic methods of production. An austerity scheme very similar to that prevailing in Britain—and in some ways even more severe—has already been introduced to prevent waste, restrict non-essential imports and the unproductive drain on limited currency reserves, and check the inflationary tendencies in the economy which are a legacy of wartime conditions. Through the introduction of price controls, food rationing, and 'Utility' products, the Government hopes at the same time to ensure satisfactory standards of living for the broad masses of the population.

Combined with these measures of economic regulation, the Government has also inaugurated a number of projects which should contribute to the expansion of the country's opportunities for employment and consequently to the capacity for absorbing immigrants. It is also hoped that through these projects permanent addition will be effected to the country's economic assets. Such plans include an extensive housing programme, the establishment of new cities, villages, and settlements, the improvement and extension of land, sea, and air communications, the erection of new industries, and irrigation, drainage, and other schemes of agricultural development.

During the first nineteen months of its existence Israel has made good progress towards putting into effect many of these projects. The over-riding impression made by the country is, indeed, one of great vitality and activity. Although certain areas, for instance Haifa Bay and the outskirts of Tel Aviv or Jaffa, remind one of post-war Germany, with their shell-torn houses and bullet-scarred walls, new building and reconstruction is every-

'here being carried out. Houses are also being constructed as uickly as possible to accommodate the large number of immi-rants, 90,000 of whom are still in transit camps or under canvas. 'he Government has also recently announced a number of induce-ients to investment in the building industry. Buildings erected nce the establishment of the State of Israel are to be exempt from rban property tax for a period of five years in all cases where key ioney is not demanded from tenants; deductions for amortization 'e to be increased to a maximum of 8 per cent for a period of five :ars; State lands are to be leased for low-priced housing schemes; istoms duties on timber and iron were reduced to nominal rates ι 1949, thereby lowering the price of wood by 20 per cent. [oreover, as a result of the recently introduced 'austerity' pro-'amme and price controls, the cost of locally-produced building iaterials has also been substantially reduced. The price of :ment, for instance, has gone down by 30 per cent, and that of lywood by 18 per cent.

Building costs nevertheless remain high. For the individual uilder, generally speaking, costs range from about I£30 per juare metre in rural areas to I£35 in urban residential districts, cluding the cost of the site. According to these estimates, the onstruction of a two-roomed flat in an urban area would cost pproximately I£2,000, plus about I£700 for the site and I£200 r architects' fees etc. The cost to the public of a three-roomed at in an urban district would be about I£4,000, plus about £1,000 for the site and I£250 in additional expenses. In rural eas building costs are naturally lower and sites less expensive. two-roomed flat in a rural area would cost about I£2,200 to uild, while a three-roomed flat similarly situated would cost pproximately I£2,800.

To provide housing accommodation for the great influx of nmigrants into the country, it was felt that a planned and con-:ntrated effort of all the available building resources would be quired. A non-profit-making national Housing Corporation iown as 'Amidar' was therefore formed, with an initial capital of £5 million, in conjunction with the Jewish Agency, the Govern-ent, the Jewish National Fund, or Keren Kayemeth le-Israel, id various semi-public housing corporations. Amidar's housing 'ogramme for 1949 included the construction of about 17,000 ouses. In order to carry out its building programme for 1950, hich is to be on a bigger scale than that of 1949, additional capital

will be required, which Amidar intends to raise by floatin number of debentures. The land on which Amidar is buildin provided by the Jewish National Fund on long-term leaseho ranging from forty-nine to ninety-nine years.

The main problem is to create permanent homes which can built with a minimum amount of time and labour and at a mod ate cost. Mass production methods are about to be set on fo using the method of construction known as 'Tournalayer', t equipment for which was imported from the United States. T houses are cast in prepared metal forms which are lifted af about twenty hours, leaving the completed house standing. By t means houses of various styles and sizes are being built fr locally manufactured materials, requiring a very limited numl of workmen. The machinery is capable of pouring a three-room concrete house in two and a half hours, and can thus compl about 1,200 to 1,500 houses per year. With additional machin of this kind, the output could quite easily be adjusted to the ne of the entire country.

COMMUNICATIONS AND AGRICULTURE

The visitor coming to Israel from abroad is usually surprised certain shortcomings in the communications system. In ma parts of the country highways are too narrow for the growi motor traffic. Postal and telephone communications are very o fashioned and in need of improvement and extension. Very oft business men in Tel Aviv prefer to call on their customers inste of wasting time in trying to reach them by telephone. Until t regular train service was started recently between Haifa and T Aviv, a letter posted in Haifa on Monday at lunch-time wou arrive in Tel Aviv (a distance of 120 kilometres) on Thursd afternoon. Severe import restrictions have hampered efforts expand the country's rail and motor transport services, with t result that a programme of renovation is now urgently required. is interesting to note that the first shipment of Leyland doub decker buses, of the same type as those used in London, h arrived in Haifa for use in Tel Aviv. If they prove successful mo shipments are to follow. Until recently, apart from the ov crowded bus services, the most convenient way of travelling f any business man was by the co-operative taxi company whi provided a half-hourly service between the main towns. But a regu train service has now been restarted between Haifa and Tel Av

Agriculture on an extended scale is considered a vital part of the Government programme, both from the economic and the social points of view. At present Israel is more or less equally divided between private farming and collective settlements. New settlements are provided with land by the Jewish National Fund as a hereditary leasehold, and financial aid is given in the form of long-term loans by national institutions. The established farmers initiate the new settlers into all branches of agriculture. A specialized organization takes care of planning, central water installations, and construction of farm buildings, while the local co-operative supplies all necessary commodities and markets the farmers' produce. Kindergarten, school, and medical centres cater for the families' requirements, and a cultural centre provides entertainment, educational activities, and social contacts.

An average of six settlements per month are now being founded in Israel. Before the war the average was one per month. Over 40 per cent of all cereals, vegetables, fruit, poultry, and dairy products required for domestic consumption are now locally produced. This proportion is equal to the 1945 figure. Over 5,000 cows have been bought from the United States, Australia, Argentina, and other South American countries, but at least 10,000 more cows will be needed to ensure a daily milk ration of ½ pint per person.

The total area of land in Israel under non-irrigated field crops and fodder during 1949 was 1,057,000 dunams,[1] of which 828,000 dunams were cultivated by Jews and the balance by non-Jewish farmers. Winter crops account for an area of 659,000 dunams, while summer crops have been sown on 398,000 dunams. An additional 200,000 dunams for the summer crop season of 1950 have been ploughed. Land under irrigated fodder totalled 65,000 dunams, of which 35,000 were under winter crops.

No discussion of Israel's agricultural programme is complete without some mention of the Negev, which accounts for well over one half of the country's present area. The main difficulty in founding settlements there is, of course, to provide a regular water supply. At present water is transported to Negev settlements by motor tanker. The American Palestine Trading Corporation, in conjunction with the Jewish National Fund, has granted a $500,000 loan to the Mekoroth Water Company of Israel to finance a project designed to bring water to the newly established

[1] A dunam = approximately 1,000 sq. metres.

Negev settlements by a system of pipelines. The water problem is one of the most difficult facing Israel's agriculture today, and expert opinions as to the adequacy of total water supplies vary. But the people's determination to overcome such obstacles at whatever cost is obvious; they want to make Israel once again the 'land of milk and honey' of biblical times. If impending irrigation schemes materialize, the Negev may well become the busiest scene of new settlement and development.

The Negev is also of value to Israel in two other ways. In the first place, its mineral resources, though not yet fully explored, are believed in some circles to be much more extensive than had been previously assumed. Secondly, the Negev includes a coastal strip at Elath, on the Gulf of Akaba. This area affords an outlet to the Red Sea which may be of great importance to Israel's economic future, in that it provides a maritime connection independent of the Suez Canal between Israel and Asia, the world's most populous continent, and so enables Israel to take full advantage of its position as a link between Asia, Europe, and Africa. It could also provide a convenient route for an alternative canal to serve international shipping.

Although agricultural development remains the principal objective of the settlement programme, settlements have also been and are still being established to form a potential defence line in the interests of national security. The Negev, the main land reserve of the State, is to be incorporated in this programme of defence settlements.

INDUSTRIAL ENTERPRISE AND FOREIGN INVESTMENT

In spite of the efforts to expand agriculture, Israel's economic future will depend to a large extent on the success of her attempts to develop her industries, expand foreign trade, and come to some permanent *modus vivendi* with the neighbouring Arab States. Apart from the citrus, chemical, and diamond-cutting industries, efforts are being made to expand production of textiles, light engineering manufactures, furniture plastics, optical goods, ceramics, and foodstuffs. Israel also hopes to earn considerable amounts of foreign currency through the expansion of her tourist industry. Industrial development is still being hampered by high production costs (caused mainly by the need to import many raw materials and by the high level of wages) and by inefficient and wasteful methods. During the first eleven months of the State's

stence imports into Israel amounted to I£53 million, while ports and re-exports together totalled only I£8·7 million.

t is obvious that development schemes of the size and comhensive nature planned by the Israel Government cannot be anced from Israel's resources alone. The need to attract eign capital and investment to the country is therefore very at. In September 1948 an Economic Department of the Jewish ency was set up to give advice and guidance on all matters nected with investments in Israel, capital transfers, import mits, negotiations with Government Departments, and tourism. hough many of the Department's inquiries originate from South erican countries and the United States, most of the new enterses in Israel are being set up by manufacturers from France, lland, Belgium, and Great Britain. The Economic Department therefore established a special branch office in Paris to extend rice to prospective investors from European countries.

Philipps of Holland, the radio manufacturers, have already ned one factory at Nathanya, Israel's diamond-cutting centre, l are about to open a second. A spinning factory with a capacity 10,000 spindles, giving work to 200 employees, is also to be ablished there, as well as a factory for casting jewellery.

ZIONIST POLICY AND FOREIGN CAPITAL

Although the United States Export-Import Bank have granted ael a $100 million loan for the purchase of machinery and other ital equipment, the stream of money and investments antici- ed from the United States has not materialized. Indeed more ney, in the form of investment, machinery, and materials, is ning from Europe than from the United States. Although it is possible to give any single reason for the disappointing results Israel's attempts to attract capital, it is likely that the socialist racter of the Government and the precarious economic situan of the country may well have adversely influenced prospective estors. The fact that 55 per cent of the voters in the General ction of a year ago voted for Socialist parties is bound to have effect abroad. The Government is also embarrassed by an remist opposition, both Right and Left wing. Wages and prices nain inflated, and trade union opinion is unlikely to agree to a vering of wages without being assured of a corresponding luction in the cost of living.

Recent statements of the Prime Minister and other Israel

officials have been made with the object of dispelling some these fears of socialization and of impending economic crisi Undertakings have been given for the early promulgation of th legislation to encourage investments which had been promise six months ago. But it is difficult to free oneself from the impressio that these statements are 'for export only'. In spite of declaratior that private enterprise has an equal share with the co-operativ sectors in the country's economy, the campaign for the dispossession of private enterprise continues. The Government import policy, for instance, has been adjusted in some industri to cut out the middleman, imported goods going straight from th Government buying agency to the retailer. This policy has, course, benefited the consumer by lowering the cost of importe commodities; it may also have a sociological motive in that it wi probably affect the occupational distribution of the populatior The observer is tempted to think that, considering Israel' depressing economic situation, she would do far better, at least fc the time being, to loosen her economic structure and discontinu her discrimination against private enterprise.

Although official efforts to reduce the cost of living by the intro duction of price controls and 'Utility' goods have had some succes the cost of living remains very high, and so, correspondingly, doe the level of wages. An unskilled labourer earns the equivalent o about £2 4s. od. per day, while a skilled worker can earn anythin between £3 10s. od. and £4 per day. In Government offices th wages are slightly lower, a clerk earning about I£66 per month while an official in a managerial category would have betwee I£80 to I£90 per month. But basic foodstuffs are high in price i comparison with similar commodities in Britain. A pint of mil would cost about 1s. 6d., a large loaf of bread 1s., potatoes, whe available, 7d. per lb., and 1 lb. of meat on an average 4s. 2d Rationing, which is strictly enforced, includes restaurant meal and four meatless days per week. Although it would be unnatura if there were no grumbling against such Government controls, th country in general seems to be behind the Government and read to accept considerable hardship in order to make a success of th new State.

Israel's first year has been one of struggle and considerabl achievement. Although there have been many serious mistakes, start has been made on providing employment for the people developing industry and agriculture, and uniting the very variec

ıhabitants of the country into a socially integrated whole. The ɗministration is new and very overworked, but keen and full of a ›irit of disinterested service. One has a lasting impression of a ılly-formed State, running comparatively smoothly with very :w creaks in its wheels, and of a people, for all their differences, rongly welded into a national unit. Nevertheless, it is only too ılly realized in Israel that the well-being of the State will depend › a large extent on future relations with her Arab neighbours, a ùestion complicated by the international interests involved.

F. R. B.

Czechoslovakia Under Communist Rule

'o visit Czechoslovakia for the first time since she became a ›eople's Republic' is an experience more depressing and in-ructive than any number of written accounts can convey. Here, lone among the nations of Eastern Europe, democracy had really ıken roots among large numbers of ordinary people, not only in ıe sense that they had become familiar with the operation of arliamentary and democratic institutions, but their economic ›ndition too—a widely-spread prosperity based on skill and iscipline—was also conducive to a democratic life. It was the first ıdustrialized country to come under Communist rule, and some wenty-two months of totalitarian government and economic 'eorientation' have converted a self-respecting and optimistic eople into a race of *Schwejks*, the helpless victims of circumstances ıd superior force.

We have learned all that we are likely to know for the present ɔout the *how* of the sudden collapse of the last outpost of demo-:atic government beyond the 'Iron Curtain'; it is the *why* that ıe visitor from the West seeks to discover. Why the Czechs rientated themselves, even before the war ended, so decisively ›wards Russia; why they made the Communists the strongest ngle party; and why they submitted so meekly to the police *utsch* of February 1948.

The explanation lies, one soon finds, in a variety of motives,

beginning with the policy of the Western Powers at the Munich Conference; the alleged willingness of the Soviet Union to 'stand by the Czechs'; the German oppression; and the appeal of Slav nationalism. After liberation, the Communists, basking in the favour of the Red Army, appeared as the guarantors of continued Soviet protection externally and of social progress at home, in which latter role they were aided by the lack of a distinctive policy on the part of the Social Democrats. When the inevitable happened and the Communists discarded their democratic façade, Czechoslovakia was not only politically and geographically at the mercy of the Soviet Union and her satellites, but even her non-Communist leaders had gone too far along the road of undemocratic compromises in the banning of certain parties and persecution of their leaders, the unbridled nationalism displayed towards Hungary and Austria, and the inhuman treatment of the Sudeten Germans, to put up a convincing fight.

THE COMMUNIST AND OTHER PARTIES

To this must be added the personal qualities of the Communist leadership. It may be easy to assert yourself when you have the prestige and power of the Soviet Union behind you, and your opponents are divided and cowed; but even then you need intelligence to manoeuvre them into untenable positions, engineer situations from which they cannot honourably extricate themselves, and choose the time, and the place, to strike. There is no glamour about the Czech Communist leaders, and the attempt to 'build up' Gottwald as a popular idol is pathetic. The Czechs are not given to hero-worship; but one must admit that their post-war strategy, and the sudden and almost bloodless seizure of power, was a workmanlike performance.

As a 'People's Democracy' is, by definition, a form of the dictatorship of the proletariat, all power derives from the Communist Party as the expression of the will of the most advanced section of the working class, and when this party meets for its annual Congress it is a more important event than a meeting of parliament itself. For weeks beforehand, and months afterwards, Prague was living under the shadow of the ninth Congress of the KSC[1] which was held in May, and as its decisions are being realized now and determine the shape of Czechoslovak home policy until the next Congress meets, it is worth while examining its work.

[1] KSC—the Czechoslovak Communist Party

For a Congress which called itself the 'Voice of the Czecho-ovak People' it was a remarkably exclusive affair. Apart from its vo thousand-odd delegates and 1,500 selected guests, no visitors ere admitted, and the public was kept at the respectful distance f about 1,000 feet from the Palace of Industry where it met. This oes not mean that the citizens of the capital were allowed to ignore ıe Congress; in addition to public meetings, the city was be-ecked with flags, streamers, and posters: open-air film shows and igantic displays of pictorialized statistics took place in the squares ıd streets, and there was more propaganda in the shop windows. 'o complete the similarity of the gathering with meetings in the oviet Union, Stalin was elected honorary chairman of the Con-ress, and from the opening address in which homage was paid, ot to the President of Czechoslovakia, Comrade Gottwald, but to he greatest man of our time, a figure which will survive the enturies, Comrade Stalin', right through every speech went the ycophantic chorus. No wonder the representative of the Soviet 'ommunist Party, no less a man than Member of the Politbureau Ialenkov, was well satisfied with the Czechoslovak Communists.

Gottwald's speech of four hours also followed a fashion which as spread from Russia to all the 'People's Democracies', and when ome fifty delegates had 'debated' his report he was able to spare is audience the experience of a summing-up. Every speaker, ithout exception, had approved the report and had praised the eneral line of the Central Committee. Lest this should be taken to eveal a lack of democratic freedom within the party, there was lso the edifying spectacle of the work of party organizations oming under heavy criticism—but not from rank and file dele-ates. The speaker was Slansky, the Party's General Secretary: ıe boss criticizing his employees.

After reviewing the achievements of the KSC during the past ıree years, Gottwald listed the ten vital tasks which, according to im, were facing the Party: work for the success of the Five-Year lan, improved food supplies, strengthening of the Socialist sector ı the national economy, mechanization and co-operative methods ı agriculture, strengthening of the State apparatus, notably the ecurity Corps and the Army, improved education and political aining, greater integration of the National Front and assertion of s Communist leadership, continuance of the class war, a foreign olicy in full accord with the Soviet Union, and, finally, the rengthening of the Communist Party. He praised, in passing,

Fierlinger and other Socialist leaders—'honest Left-wing comrades who have chosen the correct path of collaboration'—for having led their followers into the Communist Party, a passage which was, significantly, omitted from the report of his speech in the Cominform journal. No doubt their turn for liquidation will come in due course, as it did in Hungary; Fierlinger's memoirs, written with the naïve zeal of the opportunist, provide enough ammunition. While the Tito issue was hardly mentioned, its shadow lay over the special emphasis Gottwald placed on the need for vigilance within the Communist Party: 'The class enemy is not slumbering, and we must always take into account that he will try again and again to penetrate into our Party, to influence its policy and lead it astray.'

Gottwald's practical suggestions have in the meantime been taken up. Parallel with the Congress decision to establish a differentiated probationary period for would-be members—one year for workers and two years for non-workers—to strengthen the 'proletarian' element in the Party, the records of all present members are undergoing scrutiny. A new purge, the second in twelve months, is under way. According to *Rude Pravo*, at least 250,000 'band waggon jumpers', who joined the Communist Party after the February revolution, had been removed in the first purge of October 1948. When the Congress met there were 2,300,000 members and candidates, and it is hoped to reduce this figure by making membership dependent on the passing of a test in Marxism-Leninism. For this purpose study courses are to be run from November till June, and every party member will attend at least once a fortnight, only those who gain a distinction in the test qualifying for party offices. A candidate for membership must submit his life story for examination; he must be vouched for by two party members of at least two years' standing, and his works committee and any organizations to which he belongs must submit a detailed report on him. Lest any guarantor give his reference lightly, he is warned that he will remain responsible for the new member's behaviour—perhaps the most sinister aspect of the whole business.

While membership of the party carries great advantages, it is certainly not without its rigours. Preparatory to the Congress, Communists had to be in the vanguard of the campaign to present the Congress with 'Gifts for the Republic': thousands of hours of 'voluntary' unpaid overtime, projects finished before schedule,

ings in time and materials, and the rest. As soon as the first orts of sessions were published, meetings of factory cells were d at which party members assumed 'new obligations to raise the ductivity of labour and to surpass the schedule of the Five-ır Plan'; since then the Congress reports have been studied by membership in groups of ten, a fortnight being allotted to each ort. As these studies are combined with a check-up of the work party members arising out of the Congress decisions, the leaders these 'ten-men groups' in industry will have to become 'real anizers of production', 'initiators of socialist emulation' and ders of small production groups'. If all this were only the vate concern of Communists, no objection could be raised; the . is, of course, that the rest of the workers will have to keep e with the zeal of party members, and a general speeding up l result

Side by side with the further strengthening of Communist con- and power, the fiction of democratic collaboration of diverse ups within the National Front is not only maintained, but was ently given further plausibility by the re-admission of two itical parties which were left in a state of suspension after the oruary revolution.

Today it is a 'regenerated' National Front through which the mmunist Party transmits its policy to the people, based on a work of regional, district, and local National Committees on ich are represented the Revolutionary Trade Unions, the isant Movement, the Co-operative Movement, the Youth ion, the Sokols, the Fighters for Freedom, and numerous ers. It is defined as 'the political expression of the alliance med by the working people of town and country on the way to cialism', and Communists are 'bound to give all honest members other sections of the National Front the possibility and oppor-ity of carrying out the policy of the Front'.

To these 'honest members' can now be added such former ierents of the National Socialist (Beneš) and People's (Catholic) ty as decide to follow their opportunist leaders into the tional Front. What made the Government allow the renewal of ivity of these two parties is not quite clear; ostensibly it will pro-e the few tolerated National Socialist and People's Party nisters and representatives in the National Front with a follow-, though both its composition and strength will be carefully cked—a figure of 200,000 has been mentioned for each party.

Since they were allowed, in January 1949, to hold their inaugur conferences, they have shown a certain amount of activity such meetings and declarations. In Prague one comes across an occa ional office or notice board of either party, but what literature th display is simply a rehash of Government and National Fro propaganda, leaving out the more obvious Communist clich without replacing them with the traditional terminology of eith Czech liberalism or Catholicism. Communists, when asked abo the possibility of honest collaboration with Catholics and Liberal will blandly reply that all party programmes contained Socialist elements to attract the masses, but were never applied by th reactionary leaders; hence ordinary people, even if they consid themselves Conservatives or Liberals, have no difficulty in fightin for Socialism alongside with Communists. But the most plausib explanation is that given by the Secretary General of the Nation Front, who stressed the need to inculcate and popularize Marxi doctrines among people and classes hitherto hostile—the reforme parties, in other words, are to act as nursery schools for the Com munist Party.

PURGES AND THE OPPOSITION

As is inevitable in a country with Czechoslovakia's tradition the imposition of a Communist dictatorship is a much harder tas here than elsewhere in the Eastern *bloc*. Hand in hand with soci radicalism there always went a profound admiration for Wester democratic institutions, and the most dangerous opponents of th new system are those Czechoslovak soldiers and airmen who live and fought with British forces in the late war. It is therefore n surprising that in the great army purges since 1948 the first victim were officers who had served with the Western Allies—practicall all aircrews, one understands—while other ranks are warned th their British wives, or their friendly contacts with Britons, singl them out for attention by foreign intelligence agents. Soldiers a called upon to report all suspicious behaviour among their person acquaintances to the proper authorities lest they should one da be considered the accomplices of foreign spies and agents. Periodic ally the party press warns the 'remnants of reaction' in the arme forces that no mercy would be shown to them if caught in any dis loyal act, and well over thirty generals have been removed fro their posts since the revolution.

Purges in the officer corps inevitably reduce discipline amon

other ranks. Reviewing the last summer manoeuvres of the Czechoslovak Army, *Rude Pravo* in a leading article demanded 'iron discipline and instant obedience' from the troops. They should carry out orders instantly and promptly, and although a great improvement in morale was claimed, it was insisted that the need was to increase the authority of officers and to intensify the political education of soldiers. Presumably as part of this latter need, the military practice of humanizing barrack quarters with pin-up girls is now strictly forbidden, and henceforth the warriors of the Czechoslovak People's Democracy will have to seek inspiration from pictures of Gottwald and Stachanov-workers, or from political slogans.

It is not surprising that large numbers of people should wish to escape from a country where spying and informing on a neighbour or workmate is declared a civic duty, where soldiers and officers are tried on charges which include 'contact with foreigners' or, as in the case of General Pika, 'spying for Britain' in 1940. It is estimated that about 10,000 Czechs and Slovaks have made good their attempt to escape, while thousands of others are in gaols or labour camps for attempting to reach the West. According to the Prague Official Gazette, which publishes daily lists of emigrants whose property has been confiscated, there were 414 such cases in August, of whom eighty-four were shopkeepers and tradesmen, sixteen civil servants, ten students, nine professional men, three directors of State enterprises, ten farmers, eighty-three manual and forty-four clerical workers, four apprentices, and two miners. In September the admitted number was 356, and there is no sign that this westward trek is coming to an end. As an additional safeguard all passports became invalid on 30 November, and they will probably be replaced by documents valid for very short periods only. However, people who are prepared to leave their country and all their worldly goods behind them are also the most determined opponents of the Communist system, and the foreign visitor finds no evidence of any active opposition in the country. What passive resistance there is comes from the Churches, sporadically from farmers, and, increasingly, from the industrial workers as a result of the new regime in Czech industry.

COMMUNIST ECONOMY AND LIVING STANDARDS

Czechoslovakia's economy is governed by the provisions of a Five-Year Plan, successor to the Two-Year Plan which came to an

end in December 1948 and was only a partial success. It is a sobering thought that even in the one country in Eastern Europe where conditions were extremely favourable to successful economic planning, the end of the Two-Year Plan saw a living standard considerably below that of 1945, both as regards food and other consumption goods and the supply of houses and flats. This is not to say that no progress was made at all; it is simply the old story of priorities being established without regard to the people's needs, further complicated by the almost complete dependence on the Soviet Union.

It is claimed that the basic task of industry under the Two-Year Plan, the attainment of a production index of 110 as against 100 in 1937, was fulfilled; but even here the increases were in the mining, power, engineering, and iron and steel sectors and not in textile and clothing. The avowed aim of raising the living standard by 10 per cent was admittedly not realized, the chief failures being in agriculture and in the food and building industries. Only 47 per cent of the building targets for 1947 were reached, and an average of 55 per cent of the beef, pork, and milk targets for the first half of 1948. While the exceptionally bad harvest of 1947 can be blamed for the latter, and the private building contractors then dominant in the industry for the former, no one dares openly to blame the Soviet Union for emptying Czech warehouses of consumer goods in payment of her delivery of some 650,000 tons of wheat and coarse grains. The resulting shortage of consumer goods was an odd object lesson in 'Socialist solidarity', especially at a time when Marshall aid was still available for the asking.

The farmers, too, took a hand in this. In 1947 they produced a grain harvest of 1,850,000 tons instead of the planned 2,750,000, and delivered only 657,800 tons to the public food administration, as against 1,059,200 tons in the preceding year. Rations were reduced, and the black market became a serious menace to the Government until it decided to introduce the double-price system which is certainly one of the oddest solutions a 'Socialist' Government can devise. There are now two prices for food and most consumer goods—or three if we count the so-called Darex shops—and the result is a social inequality equally shocking to the visitor from Britain and to the Czechs with their egalitarian traditions.

Darex, a State trading company which supplies every desired article provided a foreign friend pays for it or a Czech surrenders

hoard of dollars or sterling with no questions asked, is part of drive for foreign currency, but no Russian roubles or any other ›ple's democratic' currency are accepted. Of greater significance ıe double-price system where the Czechoslovak crown is conıed, for it is, after all, this currency in which the Czechs are l and which they can spend in the shops. On the basis of an rage monthly wage of 4,000 crowns for an industrial worker it st be admitted that rationed food is cheap, and rationed textiles, es, etc., are reasonably priced. But, as everywhere else, few ple can manage to exist on rationed goods alone, and this is ticularly true of the Czechs, who are used to good living. Last ımer the average consumer received the following rationed ls per month: sugar, 2 lb. 6 oz.; bread, 22 lb.; meat, 2 lb. oz.; butter and lard, 20 oz.; cheese, 5½ oz.; and four eggs. The ons for several categories of consumers were slightly larger. To ment this diet, unlimited amounts of the same kinds of food e available at the following prices per kilogram: butter, 400 wns; tinned meat, 200; cheese, 150; jam, 100; chocolate, 750; ets, 150; sugar, 250; and eggs at 10 crowns a piece. But who can rd these prices?[1]

)fficially it is claimed that a check revealed that 80 per cent of the ppers in 'Pramen', the Government 'free' shops, were industrial kers, 10 per cent clerks, and 10 per cent farmers. This may l be true, but what the visitor is not told by the official proandist is that, according to statistics, 29·5 per cent of the ch workers earn less than 2,250 crowns a month, and that at the inning of 1949 nearly 50 per cent earned less than 3,000 crowns ıonth. It is obvious that the 'free' shops, for all the use he can ce of them, do not exist for one in every three Czech workers, for 'Stachanovites' and party and union officials they are eed a source of good and plentiful living. The contrast becomes n more pronounced when we consider the prices of textiles and es. A ready-made poor quality man's suit on points costs 00 to 3,000 crowns, but in better quality and in the 'free' shops osts up to 12,000 crowns; men's shirts vary from 200 (rationed) ,500 crowns, shoes from 150 to 3,500 crowns—and this in the ntry of Bata! As textile points are notoriously scarce, many a king-class family is faced with the necessity of spending up to a k's wage on a very poor shirt, a month's wage on a pair of

Last summer, before devaluation, the official exchange rate at par was 5 crowns to the £.

shoes, a quarter's wages on a suit. The housewife can now bu additional toilet soap at 250 crowns a lb., and ordinary washin soap at 90 crowns, about ten times the price of rationed soap, an while, as from 1 October, bread rationing has been abolished, th price of good quality flour has gone up to 13 crowns a kilogram

THE WORKING-CLASS ATTITUDE

The official answer to complaints about the high cost of living i that no one need live on a minimum wage, but can earn mor through overtime, etc., and that the 'free' shops provide th necessary incentive to harder work. There is, of course, som truth in this argument, yet the industrial working class is reluctan to accept and approve this policy; mainly because, by ever criterion, they are worse off now than they were before 1948, an because Communist reality, with its strict discipline and austerity is so unlike the Communist promises after 1945; but largely als because of the dictatorial manner in which economic and in dustrial policy is imposed on them.

It is still fashionable for certain writers to assume that whateve hardships may have to be imposed on other classes, the industria workers, at any rate, reap the full benefits of Socialism. Startin from the blatant lie that 'the trade unions made the (Communist February revolution'—as if it had not been the heavy Communis losses in the works council elections of the winter of 1947-4 which convinced the Party that it would have to strike before spectacular defeat in the May election—they point to full employ ment, the absence of destitution and beggary, social insurance, an security in old age as the working-man's principal achievements Admittedly, there is little open begging in Czechoslovakia now but there never was; and whether an old age pension which ma be as low as 100 to 130 crowns per week provides much security i a moot point. But what is most resented is the complete loss o independence of the trade unions, the arbitrary fixing of piece work rates, the brutality of the measures designed to increas labour discipline, and the farce of 'consultation' when no on dares oppose proposals by the Communist works group for a new speed-up or 'voluntary' unpaid overtime. Though unexceptionabl as a statement of economic fact, a warning like Prime Ministe Zapotocky's at the Party Congress that 'the reward for work performed cannot be determined by the needs of the stomach but only by its value' grates in the ears of working-men in whom many

ades of social democratic training have inculcated a greater
cern for the lot of the poorer sections of the people.
Further, the tempo of work leads to absenteeism on a grand
le. According to a statement at the last trade union congress in
ptember, 329 million work hours were lost in 1947, 398·5
lion in 1948, and figures for the current year were 37 per cent
ve those of 1947. Among the reprisals which will now be taken
inst these 'incorrigible sinners' is the loss of part of the paid
iday for each shift missed, up to a complete cancellation of the
iday for four missed shifts. In the mines, one tenth of the
ners' special bonus is deducted for one shift, and the whole
nus for four shifts missed. The Minister for Industry admitted
October that the system of 'shock-workers' was opposed by
ny 'who were influenced by capitalist thinking', and news-
pers have reported cases of shock-workers being beaten up by
ir workmates. In some factories pictures of gallows have been
wn on walls with the caption 'Death to the Shock-worker'. And
for the enthusiasm of people doing 'voluntary labour' in their
re time, one need only watch the expression on their faces when
official of the Propaganda Ministry drives up with a gullible
eigner in his car and the photographers get busy.

As a general rule, the eight-hour day is still being observed,
ugh the five-day week has been abolished in most industries.
s only on special occasions that overtime is encouraged, mostly
fulfil a plan or to make a 'present' to the Party or to the Repub-
At the end of a day's work there may be a meeting of the factory
mmunist cell, the trade union group, or one of the many mass
anizations into which the non-Communist workers are being
ssed. Attendance at these meetings is not, on paper, com-
sory, but whoever wants 'to get on', or aspires to a better job,
l do well to attend regularly. If there is nothing on at the works,
re is bound to be a meeting of some kind, or a 'voluntary
our' evening near the worker's place of residence; and he must
very skilful to manage keeping out of some Sunday work on a
lding site or in a nearby village without arousing suspicion.
e for him is one round of work, in and out of hours, meetings
l committees.

THE YOUNG GENERATION

t would be wrong, however, to assume that there is not a good
l of genuine enthusiasm even among ordinary people, especially

among the young generation. Czechoslovakia, like Russia and the other 'People's Democracies', devotes much of her resources and care to children and young people, who are more likely to absorb the new faith than their elders. They are well looked after, with extra rations, free medical treatment, summer camps, and the like, and they seem to respond well to the emotional appeals made by the Party.

After the liberation, the democratic parties foolishly agreed to the Communist suggestion of a national 'Youth Front', which became the principal vehicle for Communist propaganda among the young generation. In October it was 668,000 strong, and although an estimated 100,000 members have been expelled in the course of the recent purge, it was planned to raise the total membership to 1 million by December in fulfilment of 'a solemn promise made to President Gottwald'. The new members are to be sought mainly in the ranks of farm and factory labour to strengthen the proletarian element against those 'cosmopolitan, reactionary bourgeois' elements who dared, for instance, to print in *Mlada Fronta*, the organ of the youth movement, what the Minister of Information did not consider to be poetry, and for criticizing poets who had the Minister's approval.

All education is, of course, Communist-directed. Attendance at nursery schools is being made compulsory as fast as the buildings can be put up, in order to influence children at the earliest possible age; primary and secondary education has seen great changes in teaching staffs who were removed for alleged reactionary views, and school books are rapidly being revised to lay the foundation of a 'progressive world-outlook'. Some 20,000 university students have been sent down and drafted into industry, while their numbers have been made up with young workers who are admitted after a few months' special training. Children's books are to be purged of the princes of fairy tales, and the life of President Gottwald, the achievements of shock-workers, the heroes of Socialist labour, are to provide the material for new literature. All artistic activity is strictly controlled, and 'Socialist Realism', a conception of art first developed in the Soviet Union and now exported to the satellites, is imposing on the country the same philistine standards and mediocre achievements as are now coming to be prevalent in Russia.

The latest innovation is the compulsory teaching of Russian. 'The language of the future . . . which will show us the way to a

:at technical, economic, and cultural future' is compulsory for idents in secondary schools, for teachers ('who must read one ıssian book a month and discuss it with other teachers'), and, of urse, for members of the Communist Party and State officials; the future no doctor, engineer, artist, or soldier will be able to t along without Russian. . .' The *Gleichschaltung* becomes more mplete with every month, and to at least one observer it seems ly a question of time before Czechoslovakia and her neighbours : finally absorbed as members of the Union of Soviet Socialist publics.

In the meantime, friends of the West continue to flock to the ıglish classes and lectures held by the British Council, and idly read the free press in the British and American Information ıoms. To many people these are their only links with the free ırld, and however puny it all may seem compared with the mas-e propaganda of the Government, this activity may well be ınting that 'seed beneath the snow' from which, in the fullness of ıe, a new democratic Czechoslovakia may arise.

O. N.

Settlement in Indonesia

The Final Phase

ɴTIL the middle of 1948 the Dutch in Indonesia, under the idance of Dr van Mook, had persistently striven to establish a deration of Indonesia in which the Republic would not be over-ıelmingly predominant, while the Republicans sought to ensure ıt the new Federation should arise as a direct continuation of :ir 1945 revolution. The first Police Action, in 1947, by reducing : territory of the Republic and by restoring Dutch military :stige in the eyes of the Indonesians, gave a considerable fresh pulse to the movements towards regional autonomy which the ıtch supported and which had already developed in Borneo and st Indonesia. As a result a number of regional political units were up in former Republican territory, despite Republican com-ıints that this was incompatible with the Linggadjati Agreement. t though most non-Javanese leaders preferred federalism to

centralization, few would permit the use of their regionalism as a weapon to combat the aims of all-Indonesian nationalism.

The policy followed by van Mook was one which required endless patience, and following the General Election in Holland in the summer of 1948, which caused a slight shift to the right, a new Government was formed under Dr Drees which was tacitly pledged to a policy of cutting the Gordian knot. On 3 November 1948 Dr van Mook was replaced by Dr Beel, a former Prime Minister, who became High Commissioner of the Crown for Indonesia. In the following month the second Police Action was started, President Sukarno and his most important advisers were captured, a great number of towns in Java and Sumatra were occupied, and the main communication lines were secured.

The Police Action did not, however, have the expected result. The Republic had gained greatly in international prestige by the successful suppression of the Communist revolt in September 1948, and the Dutch had failed to get American support for their initiative. On 28 January 1949 the Security Council accepted a resolution, proposed by the United States, China, Cuba, and Norway, demanding the immediate cessation of hostilities, the re-establishment of the Government of the Republic at Jogja, the institution of an interim Federal Government which should organize general elections before 1 October 1949, and, following this, the formal transfer of sovereignty to the new Federation of Indonesia on 1 July 1950. The Committee of Good Offices was transformed into a United Nations Commission for Indonesia. In Indonesia itself guerrilla fighting broke out all over Java and Sumatra, while the contact organization of the Federalists, who expressed open disapproval of the Dutch attack, insisted on entering into consultation with the members of the Jogja Government interned on Bangka.

In face of this general opposition the Dutch Government reversed its policy. It refused the reinstatement of the Republican Government in Jogja, but proposed instead the immediate installation of an interim Federal Government, the opening of a Round Table Conference, to meet at The Hague on 15 March, to settle the terms of the future Dutch-Indonesian Union, and the transference of sovereignty by the summer. The Security Council, however, insisted on the reinstatement of the Republican Government. The Republicans, relieved of the cares of office and with time on their side, refused participation in the Conference unless

the Security Council's conditions were fulfilled, while the Federalists came out increasingly in support of the Republic, one reason for this being that East Indonesia, the most important of them, needed the support of the Republic in order to resist the breaking up of her own territory in pursuit of the principle of self-determination and also needed support for her claim to New Guinea.

In the end the Dutch Government, by the van Royen-Rum agreement of 7 May, agreed to permit the return of the Republican Government to Jogja and to halt the formation of new regional states and autonomous territories. The Republicans promised to order a cease fire and to consent to the Conference as soon as their Government was established at Jogja. Dr Beel, who had been appointed to carry out the policy of the strong hand, resigned as High Commissioner on 9 May and was succeeded by the Secretary-General of the Foreign Office, Mr A. H. J. Lovink. On 6 July the Republican leaders returned to Jogja, which had already been evacuated by the Dutch.

THE INTER-INDONESIAN CONFERENCE

Meanwhile the Federalists were making feverish and successful efforts to reach a rapprochement with the Republicans, who had in the past regarded them as Dutch puppets. On 15 June the United Nations Commission invited them to appoint a delegation of five to take part in the Round Table Conference, and on 20 July an inter-Indonesian conference on the internal political organization of Indonesia was opened at Jogja. The second and final session, held at Batavia, ended on 2 August in apparently complete mutual understanding. The Federalists and Republicans agreed that a Provisional Constitution should be worked out together by their two delegations at the Round Table Conference. The federal system of government was to be adopted, with a Federal Parliament in which a Senate would represent the partner-states, and the first President of the (Provisional) Federal Government was to be appointed by the governments of the partner States. The Republican flag and national anthem—hitherto forbidden in parts of the archipelago—were to be the flag and anthem of the Federation, which was given the name of the 'Republik Indonesia Serikat', the Republic of the United States of Indonesia. Another point in the agreement marked a victory for Republican persistence. The terms of the Dutch-Indonesian Union were left for further discussion at The Hague, but the principle was fixed that

the new Indonesian State would receive its sovereignty both from Dutch and from the Republic. Thus the revolution of 1945 was mally sanctioned as the starting-point of Indonesian independe

On 3 August the preliminary Dutch-Indonesian Confere under the auspices of the United Nations Commission was formally concluded, with the signing of detailed agreements on cessation of hostilities and on preparations for the Round Ta Conference at The Hague. Formally, peace was established throu out the archipelago, though fighting in fact continued in Java in some parts of Sumatra. Communist and Darul Islam guerri continued their private quarrels and their struggle with the T.N the official Republican army. Terrorism against Indonesians co-operated with the provisional Federal Government at Bata isolated attacks on Dutch soldiers, attacks on trains and raids plantations occurred regularly. The T.N.I. continued to infilt into areas under Dutch occupation, and as the prospect of a spe transfer of sovereignty and gradual withdrawal of the Dutch ar from Indonesia drew nearer, the primary aim of the Batav authorities became the safety of the Dutch troops. Negotiati with the Sultan of Jogja, Republican Minister of Defence si 16 July, led to the gradual evacuation of districts adjoining Republican territory around Jogja, and the Netherlands Gove ment, which had already advanced considerable sums and mate to the Republican Government on its return to Jogja, agreed t the T.N.I. should be paid out of Federal funds until the transfe sovereignty.

In the political field there also remained a number of ac problems. One of these was the attitude of the extreme Moha medan factions within the Republic. The Darul Islam by revolutionary attitude naturally influenced the Mohamme mass-party (Masjumi) whose leaders already had the reputat of rigid opponents of compromise. Many Communist leaders been executed by the T.N.I. in September and October 19 Amir Sjarifoedin, a former Prime Minister, being one of victims. But the 'Communist movement' never lacked adhere as its irregular war attracted scores of adventurers and professio criminals.

REGIONALISM AND THE MINORITIES

Meanwhile, regionalists in several parts of Sumatra and in Minahassa and the Moluccas were expressing concern about

coming decisions of the Round Table Conference. The preliminary conference at Batavia had decided that minority groups would have the opportunity to present their views at The Hague, but it appeared that these groups would not have any real voice in the proceedings and that their arguments would be filed without being seriously considered. The attitude of the leading Federalists precluded any action on the requests of Ambon and other territories for self-determination. The minority groups found little consolation in the statement of the Netherlands Minister of Overseas Territories on 3 August that the Netherlands Government would defend the principle of self-determination, for the only territory specifically mentioned in the statement was New Guinea. Concerning this area, the Minister explicitly stated that the Dutch point of view, conceded by implication in the Linggadjati Agreement, would be maintained unreservedly, and that the Dutch Government would insist that New Guinea remain part of the Kingdom (i.e. outside the United States of Indonesia) and as such should find its place in the Dutch-Indonesian Union. Only a small part of the population of New Guinea is sufficiently educated to understand the meaning of political problems, but they differ profoundly, both racially and culturally, from the mass of the Indonesian peoples, and their spokesmen therefore started a full-fledged agitation for separation from the United States of Indonesia in the name of the 'Irian' people (the designation 'Papuan' is considered derogatory). Dutch support for the Irian claims indicated that New Guinea's fate might be a sore point at the Conference table.

No minority group was so apprehensive as the Dutch-Indians. They are Europeans and Indo-Europeans, who, having lived in Indonesia all their lives, consider the archipelago their home. About 100,000 of them were evacuated to Holland after 1945, while another 200,000 remained. Most of the latter feared the prospect of becoming 'Indonesian citizens', which would in many areas leave them in an exposed and dangerous position because of the bitter racial feelings caused by war-time and post-war revolutionary events. They, too, sent a delegation to The Hague, but with little hope of winning the ear of any of the parties. The Arabs and Indians showed only slight interest in the political proceedings, for they had little or nothing to fear from their co-religionists and brother-Asiatics after the achievement of independence. The Chinese had suffered heavily at the hands of the revolutionary

Indonesian armies, but nevertheless managed to have a foot in both camps. Their status, extremely insecure up to 1948, automatically improved with the rise of a strong government in their home country. Mao Tse-tung's prestige drew thousands of Indonesian Chinese to his party, and his power and position in the international field is a far better guarantee for the safety of his adherents in Indonesia than any written document can be.

THE ROUND TABLE CONFERENCE

The Conference met at The Hague on 23 August around a large oval table in the historic 'Hall of the Knights' (Ridderzaal) of the mediaeval hunting castle at the Binnenhof. Dr Drees opened the session with a speech in which he once more emphasized that the Dutch unwillingness to concede independence immediately in 1945 had not been caused by an improper desire to prolong colonial domination, but sprang from the sincere conviction that a continued close relationship between the two countries for a limited number of years would serve the interests of Dutch and Indonesians alike. He stated that the decision to transfer sovereignty over the islands to a new Indonesian Government had been taken and would be carried through, but expressed the hope that the two nations would continue to co-operate and would maintain a special relationship in complete freedom and equality. He recalled the Royal Address of 6 December 1942, and strongly appealed to all present to discard distrust and to co-operate in building secure foundations for the new Indonesian State and its future relations with the Netherlands. A short word of welcome to the United Nations Commission concluded his address.

The Prime Minister of the Republic, Dr Mohammed Hatta, frankly countered the historical and juridical claims of the Netherlands to the sovereignty of Indonesia by putting forward such arguments as the popular right of self-determination and his people's 'will to freedom'. Once more he rejected the Dutch arguments that the Republic could not claim sovereignty because it had never been recognized by the juridical bearer of sovereignty, the Netherlands Kingdom. He went on:

'Whatever the juridical arguments of the Netherlands Government, the Indonesian people in the Republic is convinced by experience that its State is a sovereign State, possessing its own Government, its own Army, its own police, its own monetary system, and, last but not least, its own foreign policy and its own representation abroad... Rightly or wrongly, the Indonesian people in the Republic

ards itself as living in a sovereign State. This is the fundamental son why every agreement . . . when carried into practice inevitably ke down over the problem of sovereignty. The Netherlands ired that the Republic should surrender its attributes of sovereignty to the Netherlands authorities as the preliminary step toward creation of a new and sovereign Indonesian State. The Republic tended that the only way to effect the incorporation of the Republican territory into a new Indonesian State was the transfer of ereignty to an interim Government, which would take over and tinue the Republican institutions (Army, foreign relations) which y be considered attributes of sovereignty.'

Hatta thus clearly formulated one of the most important s in the four-year Dutch-Indonesian controversy. He cond by pointing out that the Republic had gone as far as it bly could in accepting the invitation to the Conference, h, according to the van Royen-Rum statements, was to pre- the unconditional surrender of sovereignty, but which, in blican opinion, carried with it two very important limitations e coming sovereignty, namely, the acceptance of the Federal of government and of a permanent tie with the Netherlands Dutch-Indonesian Union.

e Conference lasted longer than had been planned. Even so, s only brought to a close on 2 November by a hurried agree- on the main points which left many details to be settled by al commissions. In particular, the Statute of the Union and inancial settlement proved stumbling blocks, and at these s the United Nations Commission contributed greatly to the d. Before the closing session could be held, the two Indones- elegations had to agree upon a preliminary Constitution for Republik Indonesia Serikat'. This agreement was signed on ctober. Its preamble emphasized the achievement of inde- ence as a result of the nationalist struggle, and the demo- character of the new State:

We, the people of Indonesia, who for scores of years have been ted in our struggle for independence and in our determination to ert our right to live as a free and sovereign nation; now by the ce of God, having arrived at this blessed and sacred moment in history, we lay down the principles of our independence in a rter for our State which will be of a republican federal structure l is based upon our confession to Divine Omnipotence, to hunity, national consciousness, democracy, and social justice; in ler to assure the benefits of prosperity, peace and liberty in human iety and in the fully sovereign State of Free Indonesia, based on law.

The preliminary Constitution enumerates the Federal States, fifteen in all, and recognizes the authority of the 'Negara Republik Indonesia'—the name is maintained—to all territory left to it under the Renville Agreement except for a few districts in East Sumatra. During the transition period the form of government is so construed as to give wide powers to the inner circle of the Cabinet formed by the Ministers of Defence, Foreign Affairs, the Interior, and Finance and Economic Affairs. The legislature, composed of a Senate, representing the partner States, and a House of Representatives, reflecting political opinion among the people, will not have the power to force the Cabinet to resign. The partner States elect the President, who, in turn, appoints a Committee of three to form the Cabinet. The main functions of the Provisional Government will be: (*a*) to accept sovereignty from the Netherlands and from Jogja; (*b*) to build up a Federal army, navy, air force, and diplomatic service; (*c*) to prepare general elections for a constituent assembly, to be held within a year.

THE IMPLICATIONS OF THE SETTLEMENT

The result of the Round Table Conference was considered disappointing by a large section of the Dutch press. There was bitter disillusionment about the Statute of the Union. The Sovereign of the Netherlands was recognized as the Head of the Union, but no prerogatives were reserved for the Head. The only organs of the Union envisaged by the Statute were a Secretariat and a Court of Arbitration, and the means employed to assure the complete independence and equality of the two partners were such as to endanger the efficiency or even realization of these institutions. It might be that co-operation would develop out of the proposed periodical conferences of Ministers and parliamentarians of both States, but this seemed doubtful.

In the past a large majority of Dutch public opinion supported the idea of a 'heavy' Union, which might even retain some sovereign rights. In this trend of thought foreign policy, defence, and economic policy were considered matters of joint concern for Holland and Indonesia, and, consequently, to be entrusted to organs of the Union. There had in addition always been strong opposition in Holland against regulating the new Dutch-Indonesian relationship by way of a 'treaty' such as could be concluded with any foreign State. The Round Table Conference retained the term 'Union' and the nominal leadership of the Dutch

Royal House, but in all other aspects it merely paved the way for a treaty' which was not even an 'alliance'. The two partners would consult' each other in matters of foreign policy and would 'strive' or co-ordination, but complete independence of action for each f them was the main concern of the agreement.

Finally, the link which would connect the Netherlands and ndonesia was so weak that doubts were expressed whether the erms agreed fell within the limits set by the Fundamental Law f the Netherlands Kingdom as revised in 1948. Article 209, aragraph 4 of the Constitution, laws affecting which require a wo-thirds majority of members of Parliament, provides:

> The Union shall realize co-operation among the participating States in matters of foreign affairs, defence, and if necessary, finance . . . by means of *its own institutions*. The Union shall by law safeguard security, the fundamental human rights and liberties, and an efficient administration. *The Union shall possess a status of its own under international law.*

The new Union, will not, however, possess organs able to ealize co-operation in matters of defence or foreign affairs. The tatute merely provides for *consultation*. The Union will not be ble to *safeguard* anything pertaining to the competence of 'ederal Indonesia and definitely has no status under international ıw.

A logical consequence of the new situation is the withdrawal of)utch military power from the East Asian area. The Dutch troops ill be repatriated as soon as technically possible and the East ndian Army will be disbanded, though certain units of that rmy, composed of indigenous troops, may be integrated into the ew Federal Armed Forces. The Dutch Navy will remain in ndonesia for another year because of the impossibility of creating n Indonesian Navy overnight, and for the time being the naval ase of Surabaya will remain at the disposal of the Dutch. Its ommander will be an officer of the Dutch Navy, but his police orce will be Indonesian, and he himself will be under the authory of the Federal Minister of the Navy. In the economic field)utch nationals will enjoy certain privileges, but the value of hese depends upon the Indonesian leaders and their ability to aintain order and to enforce adherence to the treaty-stipulations a country which will be faced with the most serious political nd financial problems.

The Conference met only twice in public session, and the ctual negotiations were carried on in the utmost secrecy. All

delegations were haunted by the fear that the slowly gro confidence would be disturbed by indiscretions, as had happ more than once in previous years when negotiations were in gress at Batavia. Greater publicity would have made the bar ing more difficult, if not impossible, and to bargaining it h come more than once, particularly in order to reach a fina settlement.

The general outcome of the Conference undoubtedly favo the Indonesians. The Dutch gained one point—the stat Dutch New Guinea—and this only temporarily, since the m was declared to remain in dispute. The definite settleme 'Irian' was postponed for a year, and until such settlement it w remain outside the territory of Federated Indonesia.

The problem of New Guinea is largely one of prestige. not clear what use the territory can be to the Netherlands, u a huge amount of capital—which is not available—is invest its development. It can be of little use at present to Indon which has better situated areas for colonization by Java's increasing masses. But the Netherlands insisted on the matt New Guinea because the Government wanted some 'tang results to show, and the Indonesian delegations withheld approval because joint resistance against the Dutch claim Irian had been one of the cornerstones of the Federalist-Repub alliance, and also because the continuation of Dutch power where in or near the archipelago could be interpreted a infringement of the Netherlands promise of complete sovereig

Many Dutch believe that the Round Table Conference pu end to Dutch rule in Indonesia without providing any real ch for the continuation of Dutch influence. The intensification o struggle as a result of the events of 1948 and the second P Action seems to have gravely endangered the position of the D as the mediators between Western civilization and Indon which they had hoped to maintain after the loosening of political ties, and they can only hope that Indonesia will not w or be able, to do without that intimate knowledge of the ar pelago which only Dutch experts possess.

Nor does the prospect for Indonesia seem more favourable. new Federation is still extremely weak in its structure and not possess the military or police forces to maintain orde seems doubtful if the free guerrilla fighters of Java and Sum will surrender their arms easily even in the Republic. The Fed

States are even worse off, for they lack nearly all military power. They are, moreover, continuously threatened by the movement for unification centred in the Republic. The Federation lacks trained administrative personnel. Indonesian intellectuals are relatively few in number and not all are politically reliable. Dutch 'advisors' are available, but many of them are already looking for new careers in view of the insecurity of their position. As a result of inflation and insufficient pay, corruption is rampant among Indonesian officials, and probably among many of the Dutch assistants still in office. Communist China has attractions not only for the one and a quarter million Chinese, but also for the Communists or sympathising groups in the archipelago, amongst whom must probably be counted the S.O.B.S.I., the Trades Union organization, which still claims 220,000 members on Java and Sumatra. At a recent meeting a proposal for a break with the World Federation of Trade Unions was indignantly rejected and a delegation was appointed to attend the W.F.T.U. Congress in Peking. Even those, therefore, who rejoice in the coming of age of the Indonesian people are bound to feel some doubts about the future.

B. H. M. V.

Greece:
The Aftermath of Civil War

GREECE enters the New Year with the guerrilla war ended—at least for the time being—and with a new set of problems facing her. The 30,000 Communist-led and Cominform-directed guerrillas who, with their terrorized support from the rural population, nearly forced Greece to submission a year ago have now been killed, captured, or driven out of the country by the Greek Army's brilliant campaigns during the past year. Inside Greece there now remain no more than 1,000 guerrillas in all, scattered in small groups of hunted men hiding in the more inaccessible mountain country. As Mr Paul R. Porter, Chief of the E.C.A. Mission to Greece, described them, 'their chief concern is no longer that of spreading fear and chaos throughout the nation, but in foraging for food to sustain them through the coming winter months. These

guerrillas are no longer a major danger to the security of the pe
and the economy of the country'.

THE AFTERMATH OF GUERRILLA WARFARE

Between 3 December 1944 and 10 September 1949 the suc
sive Communist attempts to enfold Greece behind the Iron
tain have taken a heavy toll in human suffering and material
Official statistics reveal the following sacrifices sustained by
Greek nation of some 7½ million:

		Killed	*Wounde*
Civilians executed by the Communists		54,265	
Communists guerrillas killed		82,000	
Greek Army:	killed and missing	15,145	
	wounded and mutilated		25,594
Gendarmerie:	killed	3,151	
	wounded		2,088
	Total	154,561	27,682

Abducted and transported out of Greek territory against their

Children	24,701
Men	14,856
Women	5,000

Total abducted and deported by the guerrillas—44,557.

Total value of material damage and destruction caused by Comm
rebellion of December 1944 and the guerrilla war period (3 Dece
1944 to 1 September 1949)—380 million dollars (at pre-devalu
rate).

During the last three years one Greek in every ten became a ref
from guerrilla terrorism, leaving homes and farms in Greece's
productive regions and ekeing out a wretched existence in over-cro
refugee settlements. A terrible burden was placed on the State an
the rest of the productive community.

Between 18 June 1946, when Special Military Courts were se
by the Third Decree of the extraordinary measures for public c
and security, and 31 October 1949:

47,498 persons were tried by Military Courts.
Of these, 5,322 were sentenced to death;
16,788 were sentenced to prison terms;
25,388 were acquitted; and
5,425 are still in custody awaiting trial.

During the same period 3,033 persons were executed following d
sentences. The Council of Pardons now re-examines all death sente
passed.

In addition to the sacrifices detailed above the Greek reco
programme was seriously obstructed, as a large proportio

Marshall aid became absorbed in combatting the effects of the guerrilla war.

Greeks thus have vividly in their minds the last five years of suffering under the Communist threat as they face the new problem of peaceful reconstruction and the return to normality. In 1946 the Allied Mission for observing the Greek elections estimated that only 9·3 per cent of the electorate abstained from voting for political reasons. Taking all the circumstances into account, other observers have estimated the actual numbers of E.A.M. and Communist followers at that time at between 10 and 20 per cent of the voters. This, then, was the strength of the political minority which, inspired and supported from outside Greece's frontiers, has brought such suffering on the Greek nation at the time when it needed all its energies and resources to recover from the effects of World War II and Axis occupation.

Bearing in mind also the Communists' refusal to observe in good faith the Varkisa Agreement that ended the December 1944 rebellion, and the amnesties granted by the Sophoulis Government since September 1947, it is not surprising that the present Greek Government and Greek public opinion in general is more than cautious in granting any form of broad amnesty now that the Communist-led guerrillas have been decisively defeated in the mountains. As Commander-in-Chief, Field-Marshal Papagos is not yet prepared to state that the danger of a renewal of the guerrilla war is finally eliminated. British and American military advisers agree with him that, if the Kremlin wills it, a renewed, if less effective, guerrilla force could again be launched into Greece from across the Albanian and Bulgarian borders. The Greek Army, now, to be reduced to a ceiling of 150,000, could probably control them, but they would again be a threat and an interruption to productive life in Greece's most fertile province—tobacco-growing Macedonia. At present this is a remote possibility, but it is one that still has to be considered by Greece's military leaders and their American and British advisers.

The Minister of Public Order, Mr Constantine Rentis, is more concerned at the Communist plans for political re-infiltration and subversive action in the towns, of which he claims he has sure advance information. Mr Rentis believes that the Communist minority will try to gain by political means what they failed to win by armed force. All their endeavours, both within Greece and abroad in the lobbies of the United Nations and Western Parlia-

ments, are aimed at securing liberty of action inside Greece w which to reorganize their revolutionary centres and prepare ba for future action. Greece's still serious economic plight is ri for exploitation. Minister Rentis foresees the provocation strikes, the spreading of discontent, and the creation of difficult for the State administration. Communist subversive action m now be a greater danger inside Greece than armed action by t guerrillas.

GREECE IN BALKAN STRATEGY

For the present, Tito's Yugoslavia is the principal Balkan tar for the Kremlin. If Tito is eliminated and Yugoslavia broug back into Cominform orthodoxy through Russian-directed mi tary, political, or guerrilla action, it might be an irresistible temp tion for the Russians to complete their hold on the Balkan peni sula by continuing their drive into Greece. No observers there be they Greek, British, or American—are convinced that Rus has abandoned her traditional strategic objective of an outlet the Mediterranean through Greece, which, together with Cre offers tempting bases for the Red Fleet and Air Force, commandi the approaches to the Eastern Mediterranean and the short s route to the Middle East oil and the Far East.

For these reasons the preservation of Greece's integrity st retains a military as well as a political aspect. The Greeks a therefore unwilling to see their Army whittled down too rapidly even though the military economy effected means more drachm funds for reconstruction—until they feel that their freedom a security rest on firmer foundations. At the moment, even thou there are British and American Missions in Greece and she receiving Marshall aid, there are no treaties guaranteeing milita support to Greece in case she becomes the victim of a forei aggression; and she is not yet included in any regional securi pact. The last United Nations General Assembly decided that case of a further guerrilla attack against Greece, launched from t territory of her northern neighbours, this would constitute threat to Balkan peace such as to warrant the calling of a spec meeting to consider the measures to be adopted. But Gree remains conscious of her lack of specific guarantees, and th anxiety has become a neurosis, hindering the establishment of fu economic and political confidence.

For this reason the departure of the British troops has be

riewed with great regret and some uneasiness, but it is, neverthe-ess, one symbol that the situation, at least for the immediate 'uture, has changed. At the least, the country has a breathing space n which to put in some solid reconstruction and healthy political ınd social reorganization. Her aim must be to reduce just those ›oints of distress and discontent, of misery and injustice, that ›rovide the Communists with their most fertile material for :xploitation. Greece has two more years of dwindling Marshall ıid to look forward to—and a lot of leeway to make up.

REHABILITATION PROBLEMS: THE MAKRONISOS PLAN

The new problems that now face Greece are, in fact, mainly the ›ld problems that had been shelved or only partially faced during he guerrilla war. But there is one great and controversial problem 'acing both the present Government and succeeding ones after he General Election next April. It is the question of how to re-ıbsorb the former members of the guerrilla bands and the political suspects who are now crowding the prison camps on the Greek mainland and islands. Most of these prisoners are not, in fact, Communists. It would be truer to describe them as social misfits, victims of the Communist propaganda injected under the cloak of the E.A.M. patriotic resistance movement during the Occupa-:ion. Local victimization by irresponsible gendarmerie officers and unchecked Right-wing bands, reacting violently against anything savouring of the Left wing after the terror of the Communist rebellion, drove many non-Communists to the mountains to be absorbed readily into the Communist-led guerrilla organization. Unwise policies and weak and inefficient administration created many men with a grievance against the Government, who became easy guerrilla-fodder. It would be a disastrous mistake now for any Greek Government to allow a taint of unchecked Right-wing terrorism to remain and drive the returning prodigals back to the mountains instead of re-absorbing them into productive communal life. The Government claims to have disbanded all Right-wing bands, but the armed 'home-guard' organizations threaten to take on something of this character.

Yet the Government is justly worried at the security aspect of allowing several scores of thousands of ex-guerrillas and their supporters to return to their villages and towns without any guarantee that they will not at once attempt to sow dissension or be exploited by Communist agents in the very heart of peaceful

Greek communities. Disillusioned as most of them probably by defeat and by the hard, brutal life of a guerrilla in the mc tains, Greece is yet no haven of ease and plenty to convince tl of the advantage of Western democratic ways. How far will communities that have endured the last three years at the hanc the guerrillas be willing to accept their former tormenters l into the fold?

As the answer to this dilemma the Greek Government has j duced the Makronisos Plan. For two years the Military Refor tory Camp on the island of Makronisos has achieved consider success in the object for which it was set up. This was, firsi provide a centre where those conscripts called with their clas the colours who were considered politically unreliable from evidence of their local authorities could perform their noı army service without danger of disaffecting their comrades at front. It was a security measure, to keep suspects out of miscl The second purpose of Makronisos grew out of the first, but wider in scope. While these men were performing their mili service on the barren isle the opportunity was seized to give tl political instruction, time for discussion, and so forth, often uı the guidance of reformed ex-Communists, in the hope that rr would reconsider their prejudices and those made muddle-hea by Communist propaganda would see events in better perspect There is no doubt that Makronisos 'worked'. The success may l been exaggerated, in that the conscripts were not Commuı who were being converted, and it is impossible to judge how m declared their renunciation of the rebellion simply to get a from the island. The statistics, nevertheless, are striking. Fro total of 27,677 officers and men sent to Makronisos, 13,129 v afterwards sent to fighting units, 9,781 have been demobili: 4,767 are still on the island, and only 400 are considered incorrig Communists.

Encouraged by their success with the 'unreliables' among young conscripts, the Government decided to extend the M ronisos principles to some 30,000 ex-guerrillas and political pects. A 'National Reformatory School' has been set up in old military camps on the island. The first several thous political prisoners have already been shipped there from t prisons. It is unfortunate that the first days of the new scl seem to have been marked by a number of incidents invol some excesses on the part of over-zealous guards faced with n

intractable material than the muddle-headed Army conscripts they have been used to in the past. Though there is no official information on these incidents, there seems little doubt about their authenticity. The extent to which the new arrivals have been ill-treated has probably been exaggerated by Communist agents; but in any case the affair is most regrettable, and confirms some fears about the Makronisos experiment that are circulating, unvoiced, amongst liberal- and even conservative-minded Greek circles.

Opponents of the Makronisos plan fear that the instructors and school authorities may not have the necessary psychological insight to deal as effectively with very different material. Many of the new inmates are undoubtedly Greeks with a grievance, possibly disillusioned with the defeated guerrilla movement which they served in or supported, but soaked in Communist propaganda. They have suffered in the mountains, then in the crowded Greek Army prisons, now on Makronisos. They may have to stay on the island for anything from six months to six years, depending on the decision both of the Makronisos authorities and of the local authorities and gendarmerie in their home town or village. An enormous responsibility for wisdom, mercy, and impartiality is thus placed on the Makronisos authorities, and especially, too, on the petty gendarmerie officers in the prisoners' places of origin. The local authorities have the power to send back to Makronisos even those released by the Makronisos authorities themselves. Is the petty official and small gendarmerie officer equal to or sufficiently educated for this responsibility? There are many in Greece who fear that the National Reformatory School may be exploited for the oft-recurrent interests of personal vendetta, profit, or political advantage. Political concentration camps are a dangerous tool in the hands of any Government; not least in the hands of administrations where ideas of civic responsibility and political honesty are still in their adolescence. Greeks are among the most liberty-loving and democratic peoples of Europe; but they have still some way to go in developing a philosophy of political fair-play and abolishing abuse of power. There has never been an organized 'white terror' in Greece, but the guerrilla problem has been aggravated by minor irresponsibilities and petty tyrannies of the small official. Makronisos presents a serious danger if misused, and could become at the same time a National Reformatory School and a Communist University for the spreading of revolutionary ideas amongst the aggrieved inmates. They start with the

initial grievance of not being allowed to return to their hom

These are the doubts with which the Makronisos Natioı Reformatory School is regarded by many voiceless critics Greece. They are voiceless, because the third Decree of t Emergency Legislation still gives the power of censorship and committal for trial by a Military Court, which can be exercised cases of publication of any such criticism or fears in the Gre press. While martial law is being lifted stage by stage througho Greece, starting with the islands and the Peloponnese, it is n yet thought safe to annul the provisions of the third Decree.

It is a serious and dangerous dilemma that faces any Gre Government now that 'peace has broken out'. Excessive lenien might, indeed, facilitate Communist exploitation and so endang yet again the future security of the State. Excessive severity wh the military situation no longer requires it may likewise result the creation of yet another embryo rebellion against the existi regime, exploited by the Communists under Moscow's orde There are advocates in Greece for the policy of allowing all exce the real leaders of the rebellion, and those proved responsible f the worst crimes against humanity, to be free to return to wherev they can find shelter and work within the Greek communit Even if many are not accepted back among the populations th have raided, they should be able to settle in other parts of Greec At the Royal Technical School on the island of Leros some 1,5 ex-guerrilla youths are being successfully re-educated into go citizens by constructive work, technical training, and the develo ment of the team spirit. There is no attempt at political indoctrin tion. Western democratic principles and methods are allowed give the lie to the Communist propaganda by example and practic A similar school for ex-guerrilla girls is being set up on Cret sponsored by H.M. the Queen.

The Makronisos National Reformatory School may succe in making good citizens out of guerrilla-fodder. But its task important and delicate. Greece has fastened the eyes of the wor on Makronisos. She must tackle the job with care, wisdom, a moderation; and if it does not succeed, she must have the coura to abandon the experiment for other solutions. A political reform tory camp is a dangerous experiment for any democracy to ma in the first place. Its operation must be all the more meticulou A lead in moderation has been given by the Minister of Publ Order's decision to qualify as 'nationalists' (i) all persons of sixte

ears of age or less during the Occupation period who were then active in anarchist organizations but who have abandoned such activities to lead a peaceful and loyal life since the Varkisa Agreement; (ii) all those who were active in these organizations (E.A.M., E.L.A.S.) but who have led a peaceful life since the Varkisa Agreement and voted in the elections of 31 March 1946; and (iii) all those who were active in such organizations during the Occupation, but have since served in the National Army and have not given trouble to the police. This decision gives some measure of protection to many who would otherwise still be politically suspect.

What is an even more basic need is the development of a gendarmerie—or, better, a constabulary—with prestige and perfect impartiality. The real essential for perfect security and stability throughout the country is a gendarmerie that can be relied on to suppress excesses and threats to the peace from either extreme. It must not be the tool of any one group or political or financial interest. This has been a weakness of the past, and drove people into the arms of the Communists to escape victimization. The building up of such a force, in spite of the distractions of the guerrilla war and political interference, has been the major work of the British Police Mission in Greece under its chief, Sir Charles Wickham, during the last three years.

THE COMING ELECTIONS

Good government and healthy economics—both luxuries in Greece—are the most effective means of counteracting Communist propaganda and internal dissension. With the guerrilla war over, Greeks have time to turn their critical attention to many of the things that are still rotten in the State of Greece. The refreshment of Greek parliamentary life and the Governments based on it is regarded as essential to the re-establishment of political and economic confidence. Few, however, hope that a very much better Parliament will come out of the General Election to be held next April. Greek political education stood still for fifteen years, and the present Constituent Assembly has been of disappointing calibre. A number of new parties and splinter-parties are already appearing on the political pre-election stage.[1] Mr Costa Maniadakis, former Public Order Minister under the Metaxas dictatorship, has returned to Greece and political life with anti-Commun-

[1] To date over 50 new political parties have been registered with the Supreme Court as taking part in the 1950 General Election.

ism as his party slogan. General Plastiras is making a prima donr come-back as leader of a Liberal splinter-group. Mr Vamvet claims to lead the Third Force in Greece. Mr Spiros Markesii temporarily eclipsed after opposition slander campaigns l covered him with hard-sticking mud, is still the Sphinx of Gr politics, with his efforts to form an axis of Left and Right opp tion groups to cut the ground from under the feet of the extrer of both wings.

Of parties and politicians there is no lack. The vacuum Greek political life is one of first-rank personalities. The popu demand for the Commander-in-Chief, Marshal Papagos, to l a Government is a symptom of this vacuum. At present, the Fi Marshal is the only man on the Greek stage who is universa respected and trusted. He is regarded as having moral coura strength, and honesty of purpose, and the prestige to imp discipline. These are the qualities which many Greeks would l to see him bring from the Army Command to the quicksands Greek politics.

But something more than emergency solutions is needed refresh Greek political life. In the older parties there are ma young men of ability who cannot push their way to the top throu the barrage of personalities who have been occupying the politi limelight for the last two decades. The need in Greece is not new splinter-parties, based on the personal ambition of the avera Greek to lead a party, but for the refreshment of the establish parties which, in effect, cover all shades of political opinion. Ev the Greek Socialist Party—E.L.D.—has followed such an u courageous policy during the years of rebellion and guerri warfare that it has lost the support of the labouring classes, w search vainly for something between Communism and the Rig to represent their social, economic, and national aspirations.

RECONSTRUCTION AND THE ECONOMIC SITUATION

Vouchsafed even an uneasy peace now by whatever balance m be created temporarily between East and West, there is an urge need for all sections of Greek life to sacrifice personal, politic sectional, and profiteering interests to the establishment of stable internal political and social foundation which will leave section of the community as resentful 'black sheep' or distress 'have-nots'. Even in the two remaining years when Greece c rely on receiving Marshall aid much can be done and is alrea

being done to re-establish the country on a sounder economic basis.

Of the 700,000 refugees created by the guerrilla war, over 400,000 have been repatriated and aided to return to productive life. Modern farming techniques are being introduced under American guidance and agricultural production is to be stepped up. Areas hitherto regarded as unproductive will be growing enough rice—previously imported—to satisfy home needs by 1952, and the country will be in a position to export rice by 1959. State-owned nurseries have increased production of fruit-tree seedlings from none in 1946–7 to 500,000 during 1948–9. In 1949 800,000 new vine plants were handed over to Greek farmers. Marshall aid has enabled the Greeks to replenish their depleted livestock, and to supply farmers with needed farm machinery.

The life-blood of Greece is commerce. During the last year the blocked Corinth Canal has been re-opened to coastwise steamer traffic, the railroad system throughout the country has been almost entirely restored, and over 1,400 kilometres of main highway have been repaired. The ports of Piraeus, Salonika, and Volos have been cleared and reconstructed. Seven aerodromes have been built or rebuilt. More motor vehicles are now operating in Greece than before World War II.

Industrial production has been hampered by high costs, obsolete equipment, high Government taxes and restrictive laws, and the lack of national security coupled with fear of inflation. The latter considerations discouraged investment of private capital. Technical assistance by E.C.A. Mission experts and the reorganization of the Ministry of National Economy have begun the streamlining and oiling of industrial production. With the return of peaceful conditions and stable government, private investment should follow. Hoarded gold sovereigns will be turned into drachmae and surrendered to the banks. Rising prices are still provoking demands for wage increases backed by strike threats, but the inflation menace has been largely controlled.

In the development of Greek trade, the E.C.A. Mission's principal objective has been the closing of the gap in the Greek balance of payments. The value of total exports for the fiscal year 1948–9 amounted to the equivalent of 89,700,000 dollars, as compared with 79,100,000 dollars for the previous year. Clearing agreements with most of the other European countries gained 25,000,000 dollars to add to dollar export earnings to the value of $30,700,000. But the balance remains adverse.

Only modernization and intensification of farming methods an
development of light industries can make Greece self-supportin
and enable her to absorb her labour. In the latter field, the develo
ment of cheap electric power from Greek rivers and native lignit
applied to the mineral resources known to exist in the Gree
mountains but as yet unexploited, may create an industrial revolu
tion in Greece within the next two decades. In ancient tim
Greece was a political and cultural force in the Middle East. H
future prosperity and stability may now lie in becoming an indus
trial factor in the same area.

B. S. K.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY
Volume VI No. 2 February 1950

*

Notes of the Month

'resident Truman's Messages to Congress

PRESIDENT TRUMAN presented three messages to the United ,tates Congress at the beginning of January. His reports on the tate of the nation in general and on its economic condition in par- icular, and his Budget for the 1951 fiscal year, had one main heme: the present prosperity of the country and its potentialities or still greater economic development. In Mr Truman's view these otentialities can only be fully realized if the Government is given he powers contained in the legislation which he asks Congress to ass, and which is a repetition of most of his 'Fair Deal'. This pro- ramme of social welfare was put before Congress last year in the ull flush of victory, but little of it has yet been enacted. Little of it vill be enacted by the present Congress, in which a coalition of Republicans and conservative Democrats regularly outvotes the iberal Democrats.

This year the President was really putting his programme not efore Congress, but before the voters who will elect its successor iext November. He has reason to hope that they will then make his resent nominal majority into an actual one. There is something in he messages for each of the groups who gave him his personal 'ictory in 1948—labour, farmers, Negroes, and so on—but nothing or the rebellious Southern Democrats. Mr Truman was more con- iliatory than usual towards business men, but he did not concede :nough to reconcile them, or their sympathisers in Congress, to the Government interference in their affairs which the Fair Deal nvolves.

Moreover, many business men doubt the accuracy of the Presi- lent's optimistic economic predictions and are convinced that he s jeopardizing future prosperity by his lack of concern about the inbalanced Budget, resulting from his welfare plans. Mr Truman s asking for additional taxation to cover part of the deficit, but

Congress is more likely to reduce taxes than to increase them election year. The election also makes it even more difficult usual for Congress to practise its favourite Budget-balai theory—cutting expenditure. The greater part of the $4 million Budget for 1951 is made up of fixed charges, of de expenditure, which Congress is more likely to raise than to l or of items, such as social security and ex-servicemen's ber which cannot be cut without losing votes.

The only substantial item of expenditure left is the $. million for such international programmes as European reco military assistance, and the development of backward areas. President has already made concessions to the expected pre on this section of his Budget by asking for 20 per cent less last year, but it is doubtful whether Congress will think that h gone far enough. It is not simply a question of the preference will almost inevitably be given to voters at home during the co months. There is also genuine apprehension in the United S that, if too large a proportion of the national income is spei foreign aid, the strength of their economy will be undermine this happens, the country will no longer be able to offer that structive answer to Communism which is required of it b world responsibilities, so fully and significantly recognized ir message of 4 January. The United States, said the President the most productive economic system in the world. This tre dous strength had brought her from 'the outer edge to the c of world affairs'. The objective to which both parties were mitted was clear—to 'create the moral and legal framework o world', and work towards 'the control of weapons of mass truction'.

The Strategic Significance of Formosa

Now that Chiang Kai-shek's regular forces on the mainla China have finally evaporated, he retains as a firm base, apart Hainan Island, which is not expected to resist for long, only island of Formosa, or Taiwan. The island, which was Chinese 1683—when it was incorporated in the Manchu Empire— 1895, when Japan acquired it by the treaty of Shimonoseki, by the Cairo declaration to 'be restored to the Republic of Ch Since no Japanese treaty has yet been signed, Formosa is prob still technically not part of China, but for all practical purpos has been so since 25 October 1945, when a Chinese Governi

;eneral was set up under General Chen Yi, a former Governor of ıe province of Fukien.

To the historically minded, the situation will immediately recall ıe exploits of the great pirate chieftain Cheng Ch'eng-kung, etter known as Koxinga. Acting nominally as the last vain hope f the Ming dynasty, he took Formosa from the Dutch in 1662. Using his naval strength against the Manchus, who, like the Communists today, had had little experience of naval operations, he was able for some years to harass and blockade the coasts of China to such an extent that orders were sent out for the withdrawal of the population from the coast in some provinces, notably Fukien. Koxinga was succeeded as ruler of Formosa by his son, and it was only after his son's death in 1682 that the Manchus were able to gain control of the island and make it part of their Empire. It was under Koxinga's rule, with an influx of refugee supporters of the Ming cause from Kwangtung and Fukien provinces, that the Chinese started on their way to becoming the overwhelming majority of the island's inhabitants.

But it is not always wise to pursue historical parallels too far. Today the Formosans themselves, if they were given an opportunity of expressing their wishes, would no doubt opt for some form of independence. Under the Japanese they enjoyed a somewhat higher standard of living and education than obtained on the mainland of China, and they suffered very severely under the misrule of General Chen Yi, whose government was not only directed entirely to racking the wealth of the island for the benefit of the Nanking regime, but was also inefficient and corrupt. Indeed, the classic complaint of the Formosans since the war has been, 'The Americans only dropped the atom bomb on Japan; they dropped the Chinese on us'. Nor was Chen Yi the first mainlander to oppress the island. Before 1895 there had been a long tradition of resistance to authority, and the Japanese had to face vigorous guerrilla warfare when they first acquired Formosa. But it is doubtful whether the Formosans could now produce the leadership necessary to overthrow unaided the very considerable and well-armed forces which Chiang has in the island, since Chen Yi, after he had by trickery overcome a momentarily successful revolt against his rule which started on 28 February 1947, executed every Formosan he could find who was capable of leadership.

Nor would a Communist invasion of the island unsupported by internal dissent be easy. Formosa is separated from the mainland

by about 100 miles of open sea, and, although weather condit for a crossing may be suitable in March or April, it seems imp able that such a crossing would be possible while the Navy, Force, and Army remain loyal to Chiang. In these circumsta it has been suggested that the United States Navy might interv in order to prevent Communist invasion forces from reaching island. Towards the end of December it was reported that Gen MacArthur was exerting considerable pressure to have Forr regarded as of vital strategic interest to the United States, and U.S. Navy added an aircraft carrier to its force based in Philippines. The Republicans, led by ex-President Hoover Senator Taft, in search of an election issue, early in Janu vigorously canvassed this view of Formosa's importance, and f moment it looked as if the State Department, which clearly c not believe that Chiang is worthy of support, would be overbo In his statement of 5 January, however, President Truman m it quite plain that, despite Republican pressure, the United St has no intention whatever of bolstering Chiang Kai-shek's posi in Formosa by the provision of military aid or of advice or by use of its own armed forces.

What, then, is to be the future of Formosa? So long as Chiar forces remain loyal, neither a revolt in the island nor a Commu invasion is likely to succeed. But the loyalty of these forces is no means certain. They are too large to be supported for lon idleness, and money and supplies are limited. The army, in p ticular, is reported to be homesick and dispirited, and it app not improbable that they might be subverted without the Cc munists even needing to make the formal gesture of invasion has of course been known for an army in such a position to se down as Koxinga's men did, and found a short-lived state, bu does not seem on the face of it that this will be the fate of Form

The Egyptian Elections

CONTRARY to most forecasts, the Wafd won 71 per cent of seats in the Egyptian elections held on 3 and 10 January. Abst tions from voting were heavy, a reflection of the apathy of a s largely illiterate population; but the poll not only preserved Wafd's record of never having been defeated in an election h under impartial auspices, but demonstrated the paucity of popu support for all the non-Wafdist parties. They put forward can dates only where they expected a reasonable chance of succe

ut only 24 per cent of the Liberals, 16 per cent of the Sa'dists, and one of Makram's Kutla were returned. Of the huge number of ndependents who offered themselves (365 for 319 seats) only 9 er cent were successful.

Previous Wafd Governments have been successful in maintaining public order, when they wanted to, but they have not responded promptly enough to administrative challenges. Their failure to eal with the appearance of a new type of malaria in Upper Egypt uring the war, allowing it to grow to disastrous proportions, is an xample. While Nahhas's personal popularity and the influence f the Wafd machine on the masses are still a powerful obstacle the spread of rural Communism, the Wafd would do well to tudy the fate of the Kuomintang. The pressure of a rapidly icreasing population on an already intensive agricultural economy, ith only limited possibilities of expansion, is very great, and urther industrialization cannot immediately provide relief. The asic problem of Egyptian poverty is both physical and psychogical, its solution beyond the power of any single Government; ut if the Wafd is to keep the support of the people, it must reverse he trend observed between the two World Wars, that while opular consumption was going down, that of luxury goods was icreasing. Despite poverty and disease, the *fellah* might not gain y leaving his struggle with earth and water for the factory-bench, r his squalid but very personal village for the soullessness of the idustrial town. But those Westerners who have been touched y the spirit of Egypt are unamimous in thinking that a sharp eduction in the anti-social and most un-Islamic ostentation and ixury of the rich would be an unqualified gain.

While King Faruq has wisely acknowledged the popular verdict egistered at the polls, Nahhas can hardly forget that all his four revious Governments fell not through popular disfavour but wing to clashes with the Crown. For the King enjoys, and has requently exercised, the power to dismiss ministers at will under Article 49 of the Constitution. The appointment to the influential ost of Chief of the Royal Cabinet of the moderate and respected etiring Premier, Sirri Pasha, may help to put Palace-Wafd relaions on a better footing than hitherto.

The Royal Address of 16 January, calling for the British evacuaion of 'both parts of the Nile Valley', marks the Egyptian startingne in any future negotiations for a revision of the 1936 Treaty. As a realist, Nahhas will appreciate that the presence on her north-

eastern frontier of the Israeli army, which has recently demon strated its superiority to anything Egypt could send against i has created a security problem for Egypt not unlike the Italia threat of 1935–6. Sudanese nationalism is also an unescapable fa whose importance is to be assessed by counting representati heads in the Sudan, not by the self-interested rhetoric of the e schoolmaster Isma'il al-Azhari in Cairo. Having thrown away t opportunity of a new treaty in 1946, Egypt is not now likely win greater concessions from Britain, whichever party wins t forthcoming election there.

It is to be hoped that Nahhas will discontinue his predecessor mischievous policy of exploiting the Arab League as an instru ment of short-sighted Egyptian policy, and will, if circumstanc permit, resume his former fruitful partnership with Nuri as-Sa'i of 'Iraq. Finally, the political secessions of the last twenty yea have confirmed that 'the Wafd is Nahhas'. At seventy-three h must be choosing a successor.

France's Prospects for 1950

r first sight it would seem that 1949 has been France's best ar since the war. M. Queuille's Government, which took office September 1948, remained in power until October, a record of ıgevity for the Fourth Republic. His year of office saw not ly considerably greater advances in production, and improve-ents in the foreign trade position, but also a much greater ıbility in the wages-prices relation than had been achieved by any evious Government. During the first ten months of 1949, the neral index of industrial production averaged 119–120 (1938= o), rising to 130 in the early summer. Indeed, it was only slightly low the peak production year of 1929 (1929=100, 1949 Jan.– :t.=98). Agricultural production reached its pre-war level for e first time.

The picture was not entirely rosy, however, for during the later onths production failed to maintain the promise of the spring and mmer. Productivity was not increasing sufficiently fast, and was ll barely up to the pre-war level. Agricultural production was not creasing fast enough. The wheat acreage in 1949 was no greater an it had been in 1948. Rural education was making little pro-ess and, without it, the modernization and reorganization on ıich the Monnet Plan had based its estimate of a 25 per cent crease in production by 1952 seemed unlikely to be achieved. he programme of integration of farm units (*remembrement*) was far behind schedule that only one-fifth of the target was likely be reached by 1952. It was proving no easy task to change the ıbits of some two and a half million small farmers, the vast ajority of whom were working small and uneconomic farms. oreover the level of saving was well below what was necessary put either industry or agriculture on a more modern footing.

The blackest spot of all was the failure to make any appreciable 'ogress towards filling the dollar gap. It is true that 1949 saw a eat expansion of exports, and that, by the autumn, France was ıying for 70 per cent of her imports, as against under 50 per cent in ı48. But the increased exports were going mainly to soft currency eas, and if by August 1949 France had a surplus with most of the ıropean countries, she was still paying for only about 15 per nt of her dollar imports.

Still, a beginning had been made, and, what was most import-ıt, it had been made in the field where public opinion was most

sensitive, namely, that of internal prices. During the first hal
1949 food prices fell slowly, but steadily, and this was the f
year since the war during which the price level remained stal
It had reached its highest level in January 1948, when its in
figure stood at 1935 (1938=100). In January 1949 it stood at 19
By October 1949 it had fallen to 1884.

M. Queuille's period of office was noteworthy, too, for the p
gressive strengthening of the franc. The process began with
spectacular success of the Reconstruction Loan floated in Janua
and with the bold measures taken to forestall a further rise
prices with its inevitable consequence of renewed wage deman
By October the partial devaluation of the franc, followed by a th
weeks' political crisis, left the black market price of the do
virtually unaffected. That is some measure of the increa
economic stability in 1949.

The year was characterized, too, by rising political confiden
This undoubtedly reinforced economic stability, while being its
in part, the product of it. As events have shown, the two are to-
inextricably linked. Both Gaullism and Communism suffered
not a setback, at least a check. Statistical evidence is less convinc
on this point than are a number of more intangible pointers. Ga
lists polled over 26 per cent of the total vote in the cantonal el
tions of March and won 389 seats. If sympathisers belonging
other parties are included, their total strength was probal
greater. But electoral comparisons are impossible, since this v
the first time that General de Gaulle's party, the Rassemblem
du Peuple Français, had presented itself at cantonal elections.
the face of it, 26 per cent would seem to represent a falling
compared with the 40 per cent vote in the towns, and 56 per cent
Paris, at the municipal elections of October 1947. It could, ho
ever, indicate merely that Gaullism is stronger in urban than
rural areas. The fact that only half the cantons held elections, a
that the department of the Seine was not included, also rend
statistical evaluation difficult, if not worthless. More conclusi
evidence is provided by the signs of internal dissension in t
movement, of friction between the politicians and what might
termed the pure Gaullists. M. Giacobbi, who resigned in July bc
from the presidency of the Parliamentary group and the Executi
of the R.P.F., and the three Senators and one Deputy w
resigned a day or two later, all complained of the abandonment
the movement's non-party character, the last-mentioned memb

Parliament going so far as to describe the attitude of the R.P.F. 'increasingly feudal', and objecting to the quality of some of the ıders who enjoyed General de Gaulle's confidence. Public ınion was somewhat disturbed, after the 'incidents' at Grenoble 1948, to learn from the Minister of the Interior how much the :urity measures taken at General de Gaulle's rallies were cost- ; the taxpayer. And when fresh municipal elections had to be ld in Grenoble in January, three Gaullists lost their seats. There ıs a growing consciousness, too, not only of the movement's in- :asing lack of realism in foreign policy, as outlined in General de ıulle's speeches and press conferences, but also of the vagueness his internal policy. Perhaps more important still, there was a owing uneasiness regarding the evolution of General de Gaulle's rsonality, as evidenced by the grandiloquent tone and very :rsonal' vocabulary which were becoming more and more iking characteristics of his utterances: descriptions of the publican Government, for example, as *l'équipe de la médiocrité i est aussi celle du chloroforme.*

The Communist threat to the Republic seemed also to be :akening in 1949. And, as in the case of the Gaullists, the planation seems to be a loss of confidence within the movement her than any increase in the counter-attraction of Republican rties (with the exception of the traditional Right-wing parties, ıose strength considerably increased). The purge of Trade ıion officials in the mining areas of the north, carried out by ımmunist leaders in February, provided clear evidence of ımmunist dissatisfaction with their hold on their own 'cadres', for involved the dismissal of active leaders with a long record of 'al service to Communism. The most striking victim was M. ıiébaut, a former Miners' Secretary, a former President of the *ıarbonnages de France*, and a member of the Communist party for enty-four years. Something was clearly wrong somewhere when 'merly trusted leaders were got rid of in this way.

M. Thorez' statement, published in the press in February, and ɔeated to the Assembly, that, if France were involved in an anti- viet war, French workers could not be expected to oppose a viet army, undoubtedly caused uneasiness in the minds of many 'al Communists. The majority of the workers who support the ımmunist party do so primarily because it represents for them : most working-class, the most Left, of the political parties, and :refore the one most to be relied on to defend their interests.

They are encouraged in this view by the insistence of Communis propaganda on the 'bourgeois' character of other parties. Th Socialist party, divorced as it is from the Trade Union elemen which gives the British Labour Party its distinctive working-clas complexion, does in fact contain within its ranks a relatively hig proportion of blackcoated workers, particularly minor civil ser vants, and has a predominantly middle-class and intellectual leader ship in Parliament. But it is highly doubtful whether the rank an file of the Communist Party would be prepared to follow thei leaders if they were to adopt an openly 'anti-French' policy Certainly, there has been little sympathy, even in Communis circles, for the nationalist line adopted by Communist propagand in Germany, and the French Communist press has been carefu to play it down.

The strongest card in the Communist pack has always been th defence of the worker's standard of living by continual demand for wage increases and for increased taxation of profits. Since the left the Government in 1947, the Communists have been able t pursue both these popular lines with a total disregard for econom or political realities. But when, in 1949, the cost of living ceased t rise for the first time, then the Communist appeal began to weaken and by October the Communist press was complaining of unpaid subscriptions, falling attendances at meetings, and apathy in fac of the party's demands for signatures of its numerous 'peac manifestos'. The relative industrial peace of 1949 also points to a weakening of the Communist hold on the workers. There were a number of partial stoppages, mostly of a 'token' nature, and on 24-hour general strike, called by the non-Communist Forc Ouvrière Unions, but supported much more enthusiastically by the Communist-dominated Unions. But no attempt was made throughout the year to repeat the large-scale strike movements of 1947 and 1948. All this, together with M. Schuman's moderate and imaginative attempts to place Franco-German relations on a realistic and co-operative basis, added to the confidence abroad in France's political as well as her economic recovery.

Paradoxically, it was M. Queuille's success which, more than anything else, brought about the crisis which led to the fall of his Government in October and to a new period of political uncertainty. For the aims of his Government were limited. When he achieved them, it became urgent to take further steps. And here agreement broke down, as it had done ever since 1946. For a

cision on what steps were to be taken raised issues on which ofound disagreement between the parties had existed ever since e years following the first World War. M. Queuille's policy was, essence, the same as that followed by Governments of the Third epublic, namely, to mark time, to avoid taking decisions on conoversial questions, except when immediate day-to-day comomises were necessary in order to enable the Government to rry on. It was possible to do this at a time when France was onomically stable and in many essential respects almost selfpporting. It is no longer possible now that France shares the onomic dependence of the rest of Western Europe.

The war has complicated the situation by making it essential for rance to end the stalemate, without making it any easier for her do so. It has indeed added further obstacles. For example, since e privation of the Occupation years, the criterion of well-being r most Frenchmen has become the relative plenty of basic odstuffs. The first effect of M. Queuille's policy was to put more od in the shops, even at the cost of postponing improvements the balance of payments position. It therefore produced an ipression that France was further along the road to recovery than ie in fact was. The result was to create less readiness to bear new irdens, instead of more.

The politicians, most of whom realized these facts, were victims the post-war political deadlock which has existed ever since the st provisional elections of 1945, and which is even more serious 1950. If 'tripartisme' was far from easy then, the version of it hich followed the departure of the Communists from office and ie emergence of the R.P.F. is still less of a coalition and more of a ig-of-war, or, as one observer put it, 'a vehicle drawn by three orses all pulling in opposite directions'. These were not cirimstances conducive to the education of the electorate, nor can ie holding of fresh elections—a remedy proposed by the Righting parties, and notably by M. Reynaud—be relied on to prode a solution. While political rivalry remains so acute, the ommunists and the M.R.P. (who together command a majority votes in the Assembly) are unlikely to abandon the proportional stem to which they owe much of their present strength. And en if the parties could agree on an electoral system, there is no iarantee that the election would sensibly modify the present olitical set-up.

The acuteness of the political and electoral rivalries sometimes

tends to make one forget that there are very real doctrinal diff ences as well, which make it difficult for the parties to the coaliti to achieve any real degree of collective responsibility. The t act and re-act on each other. The failure to agree on a minimu programme, owing to the real conflicts of principle, makes ea party more anxious to increase its bargaining power, i.e. effectives, and, consequently, more susceptible to the pull sectional interests.

The political crisis of October and the end-of-year debates the Budget and on the return to collective bargaining both rev very clearly the extent of the dilemma confronting the parti The immediate cause of the crisis was the renewed rise in fo prices in September and the fear of a further rise following on t announcement of devaluation. There is agreement between t parties on the need to keep prices and costs down, to redu spending and increase savings. But there is no agreement on h this is to be done. In general terms it is admitted that the incre of exports and the prevention of inflation must involve m austerity. As M. Reynaud has often pointed out, France is livi beyond her income. But the problem of sharing out the burden sacrifices between the different sections of the community h hitherto proved insoluble, precisely because there is a profou cleavage of interests between them, and because each is in position to exert pressure on one or other of the different politi parties. The Right and a considerable section of the Radical par much of whose support is drawn from rural areas, are opposed taxation increases in general, and certainly unless there is so assurance of fiscal reform and reduction in State spending. particular, they are alarmed at the drain on public funds rep sented by the need to make up the deficits of the nationaliz industries. The parties of the Left are afraid that 'reorganizatio might prove to be the thin end of the wedge, and that the Rig might go on to challenge the whole principle of nationalization a endeavour to return partially, if not wholly, to private enterpri They can point to the reorganization of the aircraft engine indus now being carried out, where it is in fact proposed that some su sidiary activities be handed back to private firms. They are co cerned, too, that the burden of lowering costs shall not be bor exclusively by the workers, in the shape of reduced real wag while profits are allowed to reach a level which they consid exorbitant. They object to the maintenance of controls on wag

while control of profits and monopolies remains in practice inadequate or non-existent.

The prospect of a renewed rise in the cost of living was the match that set off the explosive material represented by these conflicting views. To increase wages, without a commensurate increase in productivity, meant, for the Right, an inevitable return to the vicious spiral of wages chasing prices which had characterized French economy since the war. Not to increase wages meant, for the Left, placing on the working classes practically the whole burden of maintaining stability. To share out the burden of taxation more evenly and at the same time increase the national resources meant taxing the peasants more heavily, a policy long known to be both economically and ethically desirable, for the peasants are not only under-assessed, by comparison with the industrial worker, but they also contrive to evade paying a considerable proportion of their taxes. It is unfortunately, however, a policy which all Governments have found to be both economically and politically impossible.

The example of agricultural policy, indeed, reveals clearly the difficulty of French Governments in adopting a policy which runs counter to important sectional interests. In the first place, it is doubtful how far any French Government possesses the administrative equipment to implement a policy against the will of some two and a half million small farmers, living for the most part in small villages and employing little or no outside labour. But the economic and political obstacles are even greater. If the peasants are taxed beyond a certain point, then they will go back—legally or illegally—to the habits acquired during the Occupation and produce for home consumption, or else consume their own produce on the farms. If prices are fixed low enough to satisfy the town worker and give him a reasonable standard of living, then they may well be too low to satisfy the farmer, and he may forsake wheat-growing and turn to the more profitable stock-rearing and the black market in meat, as he has done on a considerable scale since the war. Already two junior Ministers, representing farming interests, have resigned from the Bidault Government in protest against the Government's agricultural policy, which, in their view, is unjust to the farmer.

Conflict between the interests of town and country dwellers is traditional in France, but the Occupation has rendered it more acute at a time when a common solution is vital in the interests of

French recovery. Faced with the threat to industrial pr
if industrial unrest increases, and the threat to agricult
duction if the farmers refuse to produce, post-war Gov
have so far been unable to do more than the Governmer
Third Republic to resolve the conflict of interests. Yet it
resolved if the Monnet Plan of increasing agricultural exp
be fulfilled and if France is to free herself from depen
foreign aid. French exporters are already finding cor
difficult and are apprehensive regarding the danger of
competition, in view of the low level of German industr
The most feasible solution would be an increase in agı
productivity—now very low, in comparison with other
European countries—with a consequent lowering of c
prices. But that cannot be achieved without the co-operati
peasants over a number of years.

When to these economic complications there are ac
political repercussions caused by the immediate electora
sectional interests on the different parties, then the likelih
agreed programme, for which the parties would be co
responsible, seems even more remote. The Communists, w
opposition, can afford to make political capital out of ext
wage demands and astronomic estimates of the yield
thetical profits taxes. Parties in power cannot be s
ponsible. Yet, in face of this constant pressure fı
Communists, Socialists (and to a lesser degree membeı
M.R.P.) sometimes feel that *not* to support modera
demands must lead to political suicide. As the Left wing
dominantly moderate Coalition, they are perpetually
in the interests of unity and recovery, to make concessioı
enable the Communists to present themselves as the sole d
of the workers against the bourgeoisie.

If, in the near future, France could count on a retur
position of relative economic stability which during th
Republic enabled her to enjoy the luxury of political in
then it would be possible for a number of Governments
tinue M. Queuille's policy of postponement and compro
post-war Europe, however, recovery in the next few years
ably a condition of survival, and recovery is indivisible.
cannot, in present circumstances, afford a new series of
crises, without endangering, along with her own recovery
Europe as a whole. For if the Marshall Plan and the st

being taken to integrate Western European economies and defence are to lead to any degree of real unity, then the prime movers must be Great Britain and France. The failure of one, or misunderstanding between the two, can jeopardize the whole experiment.

As it is, France's failure up to now to achieve the necessary minimum of agreement on which to base a coherent economic programme is perhaps more than anything else responsible for the friction which grew up in 1949 round the subject of European unity. It is perhaps because French disagreements go so deep that, for Frenchmen as far apart politically as M. Reynaud and M. Léon Blum, they seem resolvable only on a supra-national plane, in terms of a European authority able to merge internal disunities in larger loyalties. And it is perhaps because Great Britain has, up to now, enjoyed political stability and a considerable degree of agreement regarding the road to be followed towards achieving economic recovery, that Englishmen tend to envisage European institutions first as a means of slow and steady economic integration, and only at a later stage as political organs. In other words, for the majority of the British people, European institutions will be viable only if they are based on national units strong and united enough to commit the whole country to particular policies, thus making possible the emergence of an effective European authority; whereas the French seem to them to be looking to a European authority—as yet non-existent—to achieve a national discipline, the existence of which is a prior condition of the creation of such a European authority.

On either thesis, economic recovery is an essential condition. Whether we like it or not, therefore, French problems in 1950 will be those of Britain and of Europe.

D. M. P.

The Fourth Assembly of the United Nations

THE fourth regular session of the General Assembly of the United Nations opened on 20 September at Flushing Meadows, New York, in a relatively hopeful atmosphere not experienced in international conferences since early 1946. The easing of the international tension during the summer, after the lifting of the Berlin blockade, brought the delegates to New York with expressions of qualified optimism on their lips; even Mr Vyshinsky beamed and forebore for once to utter the customary imprecations. Although this atmosphere of goodwill did not survive unimpaired through the eleven wordy weeks of the session, the early promise of the Assembly has not been wholly belied, and at no time did the fourth session sink into the abyss of gloom into which the third session in Paris in 1948 sometimes descended. More than that, the fourth session also reached several decisions of real and far-reaching importance, which relieved the acrimonious debate of that sense of futility which has often been felt in previous years.

The Assembly, in spite of the East-West schism, which has rent the United Nations from its very beginning, and of many lesser setbacks, displayed at this session a growing stability, strength, and vitality. It was to be expected that events such as the announcement of the Soviet mastery of the atomic weapon, the devaluation of the pound, and the complete domination of China by the Communists, all of which occurred during the session, would overshadow the regular work of the Assembly and distract it from its appointed tasks. In fact, while these and other events had their influence on debates, they never at any time threw the Assembly off its balance, and business proceeded in a more orderly and expeditious manner than in previous years. The heaviest agenda on record was finished in the shortest time with the most constructive results.

Of course, the Chinese situation, after an early skirmish between the Soviet and Chinese delegates, hung over the Assembly like a thunder-cloud which the majority nervously tried to ignore. The debate, precipitated at last and in desperation by the Chinese delegation, was most embarrassing and painful for the Western Powers, who had no further help to give and no more to say. It was ignored by the Soviet delegation on the grounds that the

Chinese delegates no longer represented the people of China. The Chinese delegates were therefore left to drown, ignored by both sides, the one from motives of helpless embarrassment, the other from powerful disdain. There can be no doubt that such a question, involving intimately two great Powers in the dissolution of a third, is too large for the Assembly to handle, and this was bleakly and tacitly admitted by the realistic majority.

The General Assembly has, indeed, more than once been proved powerless to act in certain situations. Moreover, except in the one case of the Italian colonies, where the Assembly decision is specifically given the power of law, moral suasion is the only force behind its resolutions. Why, then, do the importance of the Assembly's topics of debate and the weight of its agenda increase each year? First, the Assembly is the last place where unsolved world problems can be dumped when all else has failed. It does sometimes evolve solutions for problems such as Palestine and the Italian colonies, or at least point the way to them. Though Governments often fail to comply with the resolutions of the Assembly, members have not yet been deterred from continuing to put difficult items on the agenda.

The Assembly is also one of the few international bodies where the voting is not weighted in favour of the great Powers. Here, at least in theory, the smaller Powers can play a real part in making decisions. This process often works against the interests of one or more of the great Powers, and the dangers of too much lobbying and horse-trading are always present. There is also no doubt that the accidents of history have given a disproportionate influence to the Latin American bloc, which has 20 votes (El Salvador has the same voting power as the United States). For example, in alliance with the Arab block of 7 votes, it can often impose its will on the Assembly, as in the decision to internationalize Jerusalem. Notwithstanding these disadvantages, the Assembly provides a forum where small and medium-sized States can be heard and can work on an equal footing with the great Powers.

The Assembly also has considerable popular appeal. When it deals, for example, with Human Rights, it catches the imagination of many people all over the world and undoubtedly throws its shadow well into the future, however small the immediate effect of the Universal Declaration of Human Rights may be. The potentialities of the Assembly for making propaganda have not, of course, been missed by the delegates, a number of whom

speak habitually rather for the newspapers at home than for the edification of their colleagues. And it should be said in all fairness that this tendency is by no means confined to Mr Vyshinsky's group. But the Assembly, more than any other organ of the United Nations, is a popular body. The preamble of the United Nations Charter begins with the words 'We the peoples . . .' and closes with 'Accordingly our respective Governments . . . have agreed to the present Charter'. The Assembly, with its unweighted system of voting, comes nearer than any existing body to expressing the voice of the peoples of the world. That Governments, and especially the more powerful ones, do not or will not always heed that voice, does not lessen its potential importance. The proceedings of the Assembly certainly arouse enormous interest in the Unite States. Its sessions and committees are very extensively reported broadcast, and televised, and over 2,000 visitors a day make th awkward journey from New York City to Flushing Meadows o Lake Success to observe the proceedings. Not the least of th achievements which the Assembly can claim in its early years is arge part in the decline of isolationism in the U.S.A.

The Assembly now meets for plenary sessions in a converted ic skating rink on the World Fair's site at Flushing Meadows, eigh miles from the City, while its committees meet in a converte section of the Sperry Gyroscope Factory at Lake Success, seven een miles out on Long Island. The foundation stone of th permanent buildings in Manhattan (the skeleton of whose thirty eight storeys is already standing) was laid at the present sessio n a dignified and impressive ceremony at which President Tru man was the chief speaker. Until the new buildings are ready some time in 1951, delegates must spend at least one and a hal hours a day in motoring to and from meetings, and it should no be supposed that the session is in any way a restful business.

The size and scope of the agenda is also formidable, and that i should have been finished in one stretch before Christmas is tribute both to the direction of the President, Carlos P. Romulo of the Philippines, and the organizing work of the Secretariat, an o the industry and application of the delegates.

This year the agenda comprised sixty-eight items. It presents vast and varied mass of world problems, into which reason, com promise, and agreement make inroads, and even salients, eac year. Many of the questions are hardy perennials—Greece, Korea Atomic Energy, Disarmament, Palestine. In all, twenty-nine item

came forward in one form or another from previous sessions. Thirteen deal with constitutional formalities and fifteen more call for consideration of reports from other organs and bodies of the United Nations.

One of the constitutional items this year threw a vivid light on the new relationship between the Soviet Union and its former satellite, Yugoslavia. Indeed, this noisy quarrel was the focus of interest in the early weeks of the session. In the election to fill the places of the three retiring non-permanent members of the Security Council, the Ukraine, Canada, and Argentina, the Soviet nomination for the seat reserved by custom for the Slav bloc was Czechoslovakia. This nomination was contested by another Communist country, Yugoslavia, which claimed that, since its quarrel with the Soviet Union had in no way changed its geographical position, it was perfectly eligible for the Slav seat. Yugoslavia's candidacy was supported by the United States and many other countries, on the grounds that membership of the Security Council would be a measure of security for Yugoslavia in the face of threats, and would thus reinforce the peace. It was furiously attacked by Mr Vyshinsky as a breach of the gentlemen's agreement ('gentlemenskoye soglasheniye') covering the distribution of non-permanent seats in the Security Council. Certain countries, including the United Kingdom, did not support Yugoslavia for various reasons, including the fear that Western support of Yugoslavia would weaken the position of Marshal Tito in his own country and in Central Europe, and that Yugoslavia was not a sufficiently desirable ally to warrant the breaking of the gentlemen's agreement on the Slav non-permanent seat in the Council. Yugoslavia was elected on the second ballot, just gaining the required majority of 39 votes, to the accompaniment of violent protests from Mr Vyshinsky. But he did nothing to justify the expectations of those excitable prophets who foresaw some dramatic gesture, or even the Soviet withdrawal from the Assembly. The Soviet-Yugoslav quarrel has continued as a strident overtone to the debates on almost every subject in the agenda.

On the political side the most important decision of the Assembly concerned the Italian colonies, and it is the more important for having the force of law under the terms of the Italian peace treaty. The Assembly, having failed in somewhat haphazard and frivolous circumstances to adopt a solution at its previous session, attacked the problem again with great industry and patience, and if the

composite solution reached does not fully meet either the wishes of the inhabitants or all the considerations of peace and security, at least the Assembly cannot be accused of not taking pains to examine every possible alternative. Independence for the territories concerned was the keynote of the debates to a far greater extent than at the previous session, and, as often in United Nations proceedings, enthusiasm for independence tended to overshadow serious consideration of the abilities of some of the people concerned to benefit from it.

The plan itself gives independence to Libya in 1952; places Italian Somaliland under trusteeship, with Italy as administering Power, for ten years, to be followed by independence; and defers action on Eritrea until 1950, pending further investigation of the wishes of the inhabitants. Whatever the evident demerits of the plan, the Assembly's agreement on a compromise at all, amidst all the cross-currents of Arab nationalism, Italian self-interest (expressed through the Latin-American delegations), and the strategic pre-occupations of all the great Powers in the Mediterranean, is a remarkable achievement. Furthermore, the plan itself is infinitely more favourable to the Western Powers than anything that Moscow might have agreed to in the Council of Foreign Ministers, and leaves Russia still without a foothold in North Africa. It was felt on all sides that Ethiopia had a most legitimate grievance, and for this reason the plan was adopted on a note of apology. It also remains to be seen whether the new Italy will justify all the claims made on her behalf in the face of the opposition she is likely to meet in her former colonial possessions.

But the question of Palestine has taken more of the United Nations' time than any other. This year the Assembly was pre-occupied with two aspects of the problem, the Palestine Arab refugees and Jerusalem. On the recommendations of the Economic Survey Mission to the Middle East headed by Gordon Clapp, President of the Tennessee Valley Authority, the Assembly voted a $54 million programme, for the relief of approximately 652,000 Arab refugees, for the eighteen months from 1 January 1950, and provided for a United Nations Relief and Works Agency to carry out the relief and works programme recommended by the Mission.

The Assembly's decision to internationalize Jerusalem, the last major decision of the session, perhaps showed the limitations of the Assembly and its potential irresponsibility, as clearly as the decision on the Italian colonies showed its capacity for serious

ard work and agreement by compromise. The Latin-American loc, carrying out the expressed wishes of the Pope; the Arab Member States, against Israel and apprehensive of the growing ower of King Abdullah; and the Soviet bloc, presumably voting r the decision that would create the most mischief, put through plan which two years ago had considerable merit, but which now, the face of the opposition of both the present occupants of rusalem, Israel and Jordan, can at best only result in a slap in e face for the United Nations, which has no force with which to ke and hold the city. Such lack of realism and deliberate courting f rebuff and failure has, in the past, cost the United Nations much f its prestige, for its strongest weapons are reason and compromise, both powerless in this situation.

On the perennial political items—peace, atomic energy, Greece, nd Korea—the usual barrage of Soviet clichés was heard again nd again, and above it all Mr Vyshinsky's frenzied and indefatigble obbligato. Simple words change their meaning and lose their avour with repetition, and the speeches so often reiterated at reat length must become wearisome even to the enthusiastic eaders of *Pravda*, at whom they are clearly aimed. Certainly the ssembly knows them by heart, and most of the clichés—'the menters of a new war', 'the countries of the new democracy', he automatic majority', 'lackeys of Wall Street', and 'certain lling cliques', have worn threadbare over the years. Luckily, Marshal Tito, this year, provided the subject for a few new ones. The Russians must know that their virulent injections into the olitical debates kill any smaller rivalries that they might otherwise xploit, and it can therefore only be concluded that they regard iplomatic success on these topics as an objective entirely seconary to propagandist excess.

On none of these major political items was any great progress chieved. On peace (or, as the Russians prefer to call it, 'the prearations for a new war'), the annual Soviet peace plan, like a huge lephant trap, was displayed and, as usual, ignored and defeated. new feature of the debate was a highly intellectual analysis of Communist ideology by the delegate of the Lebanon, which ouched off a violent and fascinating five-hour exposition of the rue faith by Mr Vyshinsky, which left the Assembly in little oubt as to the depth, mystery, and obstinate imperviousness to eason of the beliefs of their Soviet colleagues.

On atomic energy no further progress was made. The plan for

control approved by the vast majority of the Assembly was aga violently assailed by Mr Vyshinsky, whose fantastic claims for tl peaceful Soviet uses of atomic energy—the removal of mountai and the fertilization of deserts—were the only really origin features of the debate. The President's Balkan Conciliation tall were again bogged down, and the Assembly voted a comple arms embargo against Albania and Bulgaria, the two countri still sending aid to the Greek guerrillas, and for the continuatio of the Special Committee on the Balkans. The Commission o Korea was also continued, with explicit instructions to guai against the outbreak of civil war. On these questions also the fu of Soviet opposition and the capacity for quoting newspapers an authors endlessly and out of context was once more extensivel displayed. The best that can be said of these proceedings is th they continue to turn over the insoluble mass of disagreement an expose it to the air of discussion and public scrutiny.

The items on the agenda dealing with trusteeship and nor self-governing territories provided a further extension of the pro cess of harrying the colonial Powers. This process has bee especially evident since 1947, when the Soviet Union, realizin that its haughty disdain was depriving it of a prime opportunit for mischief, decided after all to take its seat in the Trusteeshi Council. There can be no doubt that the great majority in th Assembly is hostile to colonialism, and the policies of the Sout African Government have provided a very useful point of depar ture for the anti-colonial point of view. The United States b tradition, Russia by ideology, the Asiatic and Arab States fron memories of dependence, and the Latin American countries fron strong national pride, are all suspicious of the activities of th colonial Powers, which are regarded as tolerable only because the are destined shortly to come to an end.

Since the foundation of the United Nations, the Assembly an the Trusteeship Council have continually tried to extend th original powers of the organization *vis-à-vis* trust territorie to cover all colonial territories as well. This year, in the face o firm opposition and declarations of non-co-operation from th colonial Powers, the Assembly approved ten resolutions providin for permanent international investigation and review of condition in colonial areas. In continuing the Committee for sifting informa tion from non-self-governing territories for another three years it also called for the first time on the colonial Powers to submi

data on political developments in their dependencies, and ordered inquiries into educational, social, and economic advancement among the colonial peoples. A less serious pin-prick, also bitterly resisted, was the passage of a resolution recommending to the Trusteeship Council that the United Nations flag should be flown in trust territories beside that of the administering Power.

Although the colonial Powers are certainly on sound legal grounds in opposing these continuing encroachments on their authority, it is to be questioned whether their often repeated aim of bringing their colonies to independence as soon as possible might not make expedient a more flexible and tactful response to what is obviously the will of the majority, although they would be justified in stipulating for the disinterestedness of experts and the good faith of visiting inspectors. There is a danger, if the present process continues, that they may otherwise be driven to emulate that defiance of the Assembly's wishes which has hitherto been the featured role of the Soviet bloc and, on occasion, of South Africa, and thereby lose all the great credit generally due to their enlightened colonial policies.

The anti-colonial feeling of the Assembly was most acutely shown in the discussion on the former mandated territory of South-West Africa. This area is claimed by South Africa as a part of the Union. The Committee went so far as to set a precedent by hearing direct—and very moving—evidence on the aspirations of the natives of South-West Africa from a private person, the Rev. Michael Scott. For the time being, however, the question has been shelved with a request to the International Court of Justice for an advisory opinion on the legal status of the territory, and for a determination as to who has sovereignty over the territory with competence to modify its international status, and what, if any, are the obligations of South Africa under the mandate and under the United Nations Charter.

This decision is an example of a healthy tendency of the Assembly to make more use of the International Court of Justice, which has hitherto tended to vegetate in the formal splendours of the Peace Palace at the Hague. The Court has also before it a request for advisory opinions on whether a State may become a Member of the United Nations without prior Security Council recommendation, and also on whether an actual legal dispute exists concerning the observance of human rights clauses of the peace treaties concluded with Bulgaria, Hungary, and Rumania,

and whether the three countries are bound to participate i
Inquiry Commissions provided for in the peace treaties.

The economic and social activities of the Assembly are frozen by the cold war than its political ones. The unani adoption of the Economic and Social Council's resolution (expanded programme for technical assistance for the econ development of under-developed areas may well prove to great long-term importance. The Slav bloc, by differenti sharply between President Truman's Point 4 and the U Nations' international programme, got over their pre scruples about this programme, which they stigmatized last mer as a disguised form of colonial exploitation, and voted the rest of the Assembly. It now remains to be seen how gress and other national legislatures will react to the financia plications of the international technical assistance programm

The many resolutions of the Assembly on social matters with prostitution, with the proposed convention on Genc with the Children's Emergency Fund, and with a proposed t on the freedom of information. The fate of the refugees o termination of the International Refugee Organization was debated, and it was decided to appoint a High Commission take office in 1951, whose principal function would be to pr continued legal aid and protection, provision for the ph needs of the refugees in the future being left in abeyance u later session, when the time for action will be even shorter.

A host of procedural and legal items were also dealt with Legal Committee being the most laborious, as well as the qui of the Committees. The Secretary-General was authorize bring an international claim for reparations against any Go ment alleged to have injured United Nations personnel on The establishment of a uniformed international constabu 300 strong, for the protection of United Nations missions, approved, as was also the establishment of a panel of obse which will provide the United Nations with qualified perso observers. In these and many other comparatively unimpor but cumulative, decisions the world organization is grad taking physical and legal shape.

Looking back over the session, its results seem to give a fair cross-section of the character of the Assembly at its and at its worst. On the besetting problem of East and We has made no perceptible progress, and the best that can be

that the Russians still take part in the proceedings and occasion-lly even vote with the majority, although on most important sues they abstain or are opposed to the rest of the membership. 'heir attitude is certainly largely responsible for the solidarity hown by the other nations of the world on most major political sues. The fourth session of the General Assembly cannot be ccused of failing to achieve results. Many of its critics may now ay that it has lightly taken too many far-reaching and important ecisions. The Assembly's lack of real power does, undoubtedly, ometimes lead it into the ways of irresponsibility, which can only reaken the main purpose of the United Nations. The debates on ne main political topics, such as atomic energy, are also inevitably isappointing, and the General Assembly's instructions to the six ermanent members of the Atomic Energy Commission 'to explore ll possible avenues and examine all concrete suggestions with a iew to determining whether they might lead to an agreement' have desperate, if sincere, ring. None the less, real progress on many nd diverse matters has been made, greater evils have often been voided, and disputes have remained for the most part on the con-erence table rather than adjourning to the battlefield. The evolu-on of any sort of stable international order must be slow, frustra-ng, and embroiled with all the multiple difficulties of national overeignty, greed, fear, and lack of mutual understanding. All are greed on one thing only, that such an order must emerge if the uman race is to survive. The General Assembly is the most vital xpression of that agreement.

E. B.

Albania

A Balkan Bridgehead

HREE events have occurred recently which, though external to lbania, are likely to have an important influence on her internal ituation. Diplomatic relations have been reopened with Italy; the reek rebels have announced that for the present they have called ff military operations; and on 12 November Yugoslavia formally enounced her treaty of friendship with Albania.

In more fortunate countries, the welfare of the people dep mainly upon the effectiveness of the Government's internal p and administration. In Albania, to a quite unusual extent, th of the people, down to the adequacy or inadequacy of their rat is affected by the actions of neighbouring countries, by relations with her, with each other, and with the great Po Ever since the final departure of the Turks in 1913, Albani required the expenditure or investment of foreign money to her immediately supplied with consumer goods and to through the long-term development of her resources which one day make her economically independent. Thus, Alba foreign policy consists primarily in the search for a patron a meal-ticket. This is, in the most literal sense, the trade by w she earns her daily bread.

In King Zog's time Albania was run on Italian loans. A b ning was made in establishing the framework of a State ar developing her supplies of minerals. But the Italy of Mus wanted repayment in the form of strategic control, so the in nous monarchy was expelled, and Albania's precarious inde dence was extinguished. The new régime under Italy was noticeably more oppressive than its predecessor, except that i foreign. Economically, Albania flourished as the favourite chi Fascism. Building and development were pushed ahead; people ate well, and the shops were well stocked. As it turned the price of this prosperity never had to be paid, for Italy los war before she could either colonize the reclaimed lands Italian settlers or recruit Albanian conscripts for her garrison her overseas armies.

Germany never administered Albania. For a year, for p military reasons, she occupied the country with troops, and the ring while the Communists liquidated the anti-Comm forces. The British, in fact if not in intention, facilitated this cess, for they were persuaded that the Communist-led Nat Liberation Movement would kill more Germans than woul other two resistance movements, the royalist 'Legalitet' o republican 'Balli Kombetar'. They therefore armed the C munists, who used Allied weapons to liquidate their rivals establish their own supremacy in the country. For the vacant of patron and provider they secured the services of Yugosl and while the necessary practical arrangements were being wo out, Albania subsisted on resources left behind by the Italians

ermans and on relief brought from the West by Military Liaison id U.N.R.R.A.

THE YUGOSLAV ALLIANCE

The alliance with Yugoslavia was made possible because Alba-ian Communism is a movement almost exclusively of the South. ad the northern Ghegs been in power they would probably have oked askance at such an alliance; for Yugoslavia is in possession of rge tracts of land inhabited mainly by Albanians both in north-estern Macedonia and in the wheat-bearing plains of Metohija id Kossovo. Moreover, in 1912 the Serbs and Montenegrins en-eavoured to obtain possession of most of northern Albania, in-uding the city of Scutari. For the Communists, however, re-ruited from Tosks, whose fear of foreign domination relates to ;reece, Yugoslavia was the only available patron, since Italy was eaten and discredited, and Greece was 'reactionary'. Even more nportant, the Yugoslav Communist Party was the channel through hich the directives of Moscow were received; the two or three inister figures who continually briefed Enver Hoxha during the truggle for power were all of them Yugoslav Communists. Had tussia's policy demanded that Albania should become one of the ederal republics of Yugoslavia, Enver and his associates would loubtless not have objected; but as it happened, Russia was hoping hat Albania would be admitted to the United Nations, where she vould bring another vote to the Eastern 'bloc'. To make quite sure hat the Yugoslav alliance was accepted by the partisan soldiery nd the enthusiastic Communist youth, an intense pro-Yugoslav ropaganda was carried on, complete with fraternal visits, pre-entation of bronze plaques of the Yugoslav dictator, and exuberant houts of 'Enver—Tito!'

Economic co-operation with Yugoslavia was not unfruitful. ľugoslavia, if backward by Western standards, is richer than Albania in technicians, and could help in exploiting the copper and hrome, and even send gangs of youthful volunteers to work on Albania's long-promised but never completed railway. Most im-ortant, Yugoslavia sent wheat from Kossovo, so the Albanians ad enough bread. Some of them may have reflected that under the Axis yoke the Kossovo wheat came from one of their own pro-inces; but what mattered, alike to the population and to the Communist régime, was that the wheat arrived.

All this was altered by the Yugoslav breach with the Cominform

in the summer of 1948. At the critical moment, Albania dic range herself with her partner Tito, but with the more di patron, Stalin. From the Albanian Communists' standpoint was the more attractive choice. At that time, Tito was not exp to be able to make good his rebellion. It was generally for (and not only by Communists) that either he would be forc make his peace with Moscow, or he would be eliminated Yugoslavia would be brought back into the fold by a more obe Communist leader. But even without this expectation, any A nian politician would have been strongly tempted to seize chance of freeing his country from a patronage which was b ning to be irksome. Acceptance of outside assistance inevi brings with it a measure of foreign influence in the running country, and this factor has always been resented by zenopl Albanians. Thus, if the first constant element in Albanian fo policy is to secure foreign help, the second is normally to t get rid of the helper.

THE CONSPIRACY OF GENERAL KOÇI XOXE

The most dramatic incident marking the decision to stand Russia and not with Yugoslavia was the sudden fall of the Min of the Interior, Commissar-Lieutenant-General Koçi Xoxe view of the assiduous pro-Yugoslav propaganda, it is not ren able that some of the servants of the régime had closely ident themselves with the policy of co-operation with their ally. In sequence, when the line was changed, they were deemed un able to act as instruments of the new policy. Those most irret ably committed had to be liquidated. The switch over was acc panied by a crop of arrests, followed in due course by anc big treason trial. In this the principal casualty was the man till recently had been all-powerful as Minister of the Int and as chief of Mbrojte Popullore, the political police.

The fall of this Minister is typical of Albanian politics. liquidation was the result not of internal forces, but of interver from outside. But the conspiracy which led to it was all his and if ever a man deserved death at the instance of a leader he tried to supplant, it was Koçi Xoxe.

In a Communist régime there is always an element of chan the choice of the supreme leader from among several Party bo In Albania, Enver Hoxha had been chosen; but he was not a commanding figure as to rule out the possibility of his repl

ment by a determined and favourably-placed man who was already his Deputy. Koçi was the only Albanian Lieutenant-General, and he was therefore, after Colonel-General Enver Hoxha, the highest-ranking uniformed officer. He had presided at the first big treason trial, when sixty 'war criminals and enemies of the people' were tried in Tirana with the maximum of publicity in April 1945, and seventeen of them were shot. A year later he had succeeded in eliminating from the scene the veteran Moscow-trained Communist Sejfullah Maleshova. In the first half of 1948 he had succeeded in surrounding Enver Hoxha with his own spies and creatures, so that the nominal leader's real power was reduced almost to nothing, and he was practically under house arrest. A little more, and Enver could be suppressed altogether, and succeeded, without difficulty, by Koçi Xoxe.

The cause of Xoxe's failure, when success seemed within his grasp, was not that he was insufficiently strong or insufficiently clever, nor was it that he was unduly favourable to the Yugoslavs. He failed because the Russians decided, for their own purposes, that they needed a reliable man of their own at the head of Albanian affairs, and that man was not Koçi Xoxe but Enver Hoxha. The Russian Mission gave the word and Xoxe was arrested. Enver was restored to his former power.

ALBANIA AS A COMINFORM BASE

Russia has never taken much interest in Albania, except at certain particular moments. It was Xoxe's bad luck that this happened to be one of them. The Soviets attached considerable importance to the harrying of Greece by the rebel forces, then led by General Markos, and for this they required the unimpeded use of the territory of Greece's northern neighbours. As the unreliability of Yugoslavia became more apparent, Albania's importance greatly increased, until at last practically the whole operation against Greece was conducted from there. General Markos had his headquarters, his base, his army, even his wireless station, in Albania. All this was much too valuable to Russia to permit of Albania being allowed to slip into the Yugoslav camp; hence the reinstatement of the docile Enver, the liquidation of the unreliable Xoxe, and Albania's alignment with the Cominform Powers. Albania had become to Stalin precisely what she had once been to Mussolini—the jumping-off ground for an attack upon Greece.

The Yugoslav alliance was now for all practical purposes at an

end, and Albania's new patron was Russia. Enver Hoxha 1 received with honour in Moscow; Russian advisers were sent Albania in ever larger numbers; most important of all, Russ and Rumanian ships began to arrive with much greater freque at Durazzo and Valona. Meanwhile, the Albanian and re Greek armies were kept mobilized and supplied, and at conveni moments the latter were sent across the Greek frontier to br war and desolation to the Greeks.

The Battle of the Grammos, 1948, came and went. The Gr army, in an arduous campaign, drove the rebels from their pc tions and 'pacified' northern Greece. But the operation was permanently successful: the rebels calmly retired to their Alban refuge, there to re-equip for the next season's campaign. In 1 they appeared once more in Greece, in the region of Vitsi; dri thence, they retired across the frontier, moved a few kilometres the west, and again emerged upon the Grammos. This time, hc ever, they had to contend with that fine warrior, Field-Mars Papagos, who had defeated another and larger invasion of country from the same direction in 1940. The Battle of Grammos, 1949, was more decisive than its predecessor of 19 because less of the rebels got away. The Greeks, moreover, adop a much more menacing tone towards the Albanian troops w gave covering fire across the frontier, and for a time it seen likely that the Greeks might even pursue their enemies i Albania itself. Tirana Radio announced, just as it had done a y previously, and with equally little truth, that armed Greeks arr ing across the frontier were being interned.

This Battle of the Grammos, 1949, was decisive not only for t Greeks but also for Albania. It led the Russians, at any rate for t time being, to write off the Greek rebels as ineffective, and t rebel leader was obliged to announce the suspension of his milit efforts. With the end of warlike operations Albania ceased to of immediate importance to the U.S.S.R. as a base, and with t decline of Russian interest there has come a corresponding decli in assistance from the Soviet Union. For the moment, at lea Albania has once more lost her patron and her meal-ticket.

THE FOOD PROBLEM

Russian supplies for Albania, even during her short innings pampered protégé of the Kremlin, were woefully inadequate. T ships which passed through the Bosphorus and the Dardanel

and rounded the tip of Greece were far more heavily laden with arms and military equipment for the Greek rebels than with food for the Albanian population; and what food they brought was in great measure destined for the two armies. But some relief they did bring; and in exchange they took away Albania's exports—minerals, whose chief use was to pay for imports, and other products less easily spared. Since the rupture of economic co-operation with Yugoslavia, these sea-borne imports have acquired a disproportionate significance for the Albanian economy; and during the past six months there has been a drastic falling off in the number of ships arriving at the Albanian ports. People and Government are wondering anxiously about their future economic position.

There seems to be no doubt that Albania at present is uncomfortably short of food. Bread has always been a problem, because Albania without Kossovo does not grow sufficient cereals. The meat situation is less clear; lamb and goat and fowls used to be plentiful—that is to say, those with money could eat as much as they wanted, and the poorer people could afford an occasional meal of meat. What matters, from the point of view of feeding the poorer people, is the supply of such foods as *pasta* (macaroni) and beans; rice, sugar, and olive oil are also important, particularly the last, which forms the universal medium for cooking. In addition, provided that the stock of goats has not been unduly reduced, there should be plenty of that admirable milk derivative, 'kos', known in this country as 'yoghourt'.

There are three main scales of rations, one for heavy workers, another for light workers, and the third for everyone else. Babies and expectant mothers get larger allocations of certain foods. In none of these scales does rice appear at all, except that infants from six to twelve months old can obtain 0·9 kilograms a month. Eggs are distributed by the Government according to supplies, and there are small rations of biscuits, sweets, wine, and vinegar.

Lack of food and medicines has caused the tuberculosis rate, always serious in Albania, to soar. Food parcels from abroad are taxed so heavily for customs dues that it is difficult for the less well-to-do to redeem them; the authorities are hoping to induce Albanians in the Western countries to send their gifts to those at home in dollars instead of food. As to supplies from the East, Albania ought to be receiving the East European counterpart of Marshall aid, for she is a member of 'Comecon', the Soviet and satellite equivalent of O.E.E.C. But what Russia promises to her

adherents and what arrives on the dinner-tables in satellite cou tries are sometimes two very different things.

ALBANIA AND GREECE

A little while ago it was reported in Albania that the Weste Powers had instructed the Greeks not to cross the Albani frontier in their pursuit of Greek rebels. For a number of Albani soldiers, this made desertion into Greece at once morally perm sible and irresistibly tempting. It was permissible, because, so lo as there was a danger of invasion, they had felt bound to ho themselves ready to defend their country; and it was tempti because the prospect of rescue from Enver Hoxha's régime sudde ly became more remote. Some of these deserters, who were que tioned by United Nations observers, reported that the milita authorities are having increasing difficulty in preserving discipli

For the Communists in Albania, the threat from Greece extremely convenient, because it procures them the suppo against the Greeks, of patriots who fundamentally hate the Co munist régime. From the national point of view the policy provoking Greece is disastrous, because it alienates sympathy the matter of the Greek claims on Southern Albania. Four tir in forty years have international commissions established a confirmed the frontier where it now is; yet all this may go f nothing if the whole world comes to side with the Greeks agai so aggressive and ill-behaved a neighbour. In Zog's time, wh relations with Greece were on the whole not bad, Greek claims what they call 'Northern Epirus' appealed to a limited section Greeks, and to nobody else.

POSSIBILITIES OF REVOLT

It is interesting to speculate on the chances of a successf revolt. Eighteen months ago it seemed plain that any such ente prise would be suppressed by the Yugoslav army. For a year aft that there was some probability that Russia would bestir hers to protect the Albanian régime. Now, nobody knows. But it seer likely that the people at large are not so much interested in t dispute between two brands of Communists, as in getting rid of Communists whatever, both Titoist and Stalinist.

The bare possibility of successful rebellion has greatly e couraged the Albanian exiles. Some of the more naïve, weary exile, recently decided to go home, where they were promp

arrested. Others, in accordance with Albanian political tradition, temporarily sank their differences and formed a new movement of national liberation.

The leader of this movement was Midhat Frasheri, an elderly literary man of Western culture and unblemished idealism. At one time he was Minister in Athens, but gave up his diplomatic career on account of disagreement with King Zog, and ran a bookshop in Tirana under the name of Lumo Skender. There, his encouragement to young students and his burning love for his country made him an inspiration to Albanian youth. During the war he founded a republican resistance movement, 'Balli Kombetar' (National Front), and for a time actually took to the mountains. 'Balli,' which combined most of the best republican elements in the country, was militarily defeated by the Communists, forced into a measure of collaboration with the transient German occupation, and discredited. Midhat and a hundred of his followers retired to Italy, where he never ceased to work for the well-being of his fellow-exiles and for the eventual liberation of his country. In August 1949 he at last succeeded in forming a united movement.

Midhat had four colleagues in the Executive Committee of the movement. One of these was Major Abas Kupi, the military leader of the royalist 'Legalitet' party. Another, Zef Pali, a Roman Catholic, was a teacher from Scutari; a third, an Orthodox, was the son of Kostaq Kotta, one of Zog's Prime Ministers who had died recently in a Communist prison. Finally, Said Kryeziu leads a party calling themselves Social Democrats, combining the younger and more progressive elements among the exiles. Said Bey himself is the younger brother of the better known Gani Kryeziu, and also of the late Cena Bey, brother-in-law of King Zog. Gani and Said fought the Germans on the Kossovo frontier, until they were sabotaged by the Communists.

This Committee paid a visit to London towards the end of August, going on to Washington in September. Returning to Italy, it left its leader behind to open permanent offices in the United States. The movement then sustained a terrible blow, for the universally loved and respected Midhat Frasheri, who was sixty-nine, died suddenly on 3 October.

Midhat Bey's own party, Balli Kombetar, promptly appointed Hassan Dosti as its leader and representative on the united Committee. Dosti, however, does not enjoy the same reputation of an 'elder statesman' as did Midhat, and the Committee was unwilling

to accept him as its President. For the moment, the chairman of the Committee is to rotate among its members, thus prob playing into the hands of King Zog (now living in exile in Ca since no other element in the Movement has as yet produc leader of comparable standing.

TITO, ALBANIA, AND ITALY

Meanwhile, a press report, of unknown reliability, from R states that Marshal Tito is making his own arrangements for 'liberation' of Albania, and has set up a rival 'Liberation C mittee' in Belgrade. The Chairman of this Committee is sai be Gani Kryeziu, brother of Said, who recently finished servi five years' prison sentence for the offence of fighting the Gerr in Kossovo without placing himself under the orders of the Yugoslav partisans. It is reported that another member of Committee is Cen Elezi Ndreu, who, with his sixteen sons, pl an active part in the war in Dibra; the Germans burnt his hc after a battle, for harbouring Colonel Peter Kemp. If this re is true, it is interesting that a tribal chieftain fleeing from C munist Albania should now be a welcome refugee in profess Communist Yugoslavia.

At present Enver Hoxha is faced with starvation, incip mutiny, and isolation, while his prospective successors make t preparations on foreign soil. It was expected in some quar that in these circumstances he would make his peace with T but this he evidently could not or would not do, for the Yugos gave as their reason for denouncing the treaty of friendship Albania last November that the Albanians have not only cre a number of border incidents but have rejected an offer from Yu slavia to resume economic co-operation. Enver, it appears, taken another course, and has set on foot a reconciliation with I thus bringing the wheel full circle to the situation of twenty years ago. This time, however, he has to deal with a diffe Italy, democratic, peaceful, and not entirely free from the dan of Communism.

It may be, of course, that the Russians are purposely lea Albania to be maintained at someone else's expense, but want to make further use of her at a later stage. Meanw Enver Hoxha must try to obtain Italian aid as quickly as possi so as not to force his master in the Kremlin either to send supplies or let him fall. Albania has something to offer to I

in exchange for her patronage. Oil is produced in greater quantities than before from the wells of Kuçove, and the pipe-line still runs beneath the Adriatic to the refineries of Bari; the chrome and copper and coal are also better developed than they were last time Italy was interested in Albania. A benevolent and unaggressive Italy is now, indeed, the obvious and proper country to be Albania's patron, to the advantage of both. The two countries have already exchanged Ministers, and Count Sforza has expressed in the Italian Parliament his country's disposition to maintain Albania's independence.

V. R.

The High Commission Territories and the Union of South Africa

THE relation between the High Commission Territories (often loosely termed Protectorates) and the Union of South Africa is likely once again to become an active political question. Since the discussions and publication in 1935 of the Aide Mémoire handed by Mr J. H. Thomas, then Secretary of State for the Dominions, to Gen. J. B. Hertzog, then Prime Minister of South Africa, this problem has lain more or less dormant, though it was the subject of some discussion and correspondence in 1937 and 1938. The present Prime Minister, Dr Malan, has now declared his intention of again raising the matter formally with the British Government.

A good deal has certainly happened in the intervening years which will have some effect on the arguments for and against 'transfer', but the fundamental questions remain the same. They centre on British obligations of honour to the African inhabitants of the Territories, and the relations between H.M. Governments in South Africa and the United Kingdom. The projection of these questions into a wider sphere reflects possible inherent conflict in Britain's position as an African Colonial Power and as a member of the British Commonwealth. The history of this question officially dates back to the formation of the Union of South Africa in 1910. In reality it goes back much further, almost to the beginnings of

contact between Black and White in the middle of the ninetee century. It represents the conflict between the desire of the na people of Southern Africa for the protection of a benevolent mote power against the incursions and authority of local Europe and the desire of those same Europeans to control their own affa including native affairs, without outside interference. Space forl any detailed examination of this situation, but the following sal points may be noted.

THE EXTENT OF THE AREA

The territories concerned are Basutoland, Bechuanaland I tectorate, and Swaziland. Of the three, Bechuanaland and Sw land are Protectorates, while Basutoland is a British Colc Basutoland is the only one where there has been no alienatioı land to Europeans. In the other two, considerable stretches of l have been granted to Europeans, and there are appreciable nı bers of European settlers. Basutoland lies in the heart of the Un entirely surrounded by three of the Union's four Provinces, na ly, the Cape Province, Natal, and the Orange Free State. In a it is approximately the size of Belgium, with a population 553,827 Africans and 1,678 Europeans, the latter consisting aln entirely of Government officials, missionaries, and traders. ' Bechuanaland Protectorate is about the size of France, Engla and Wales together, with a population of some 275,000 Afric and 2,325 Europeans.[1] Approximately one-seventieth of the l has been alienated to Europeans, and this lies mostly on eastern side, abutting on the Union of South Africa. A little ov third of the country has been declared Native Reserves; balance is Crown Land, most of it waterless desert, but some o especially in the north-east, possessing great agricultural po bilities which are at present being explored. The Protectorate jc the Union on its eastern (Transvaal) and southern (Cape Provin boundaries, and South-West Africa, now virtually a fifth provi of the Union, on the west and north. It is bounded by North Rhodesia at its north-eastern tip. and by Southern Rhodesia al its long north-eastern side. Swaziland is smaller than Basutola with a population of 181,269 Africans and 3,201 Europeans. As the Bechuanaland Protectorate, the land is divided into Europ and Native areas and Crown land, the proportions being roug 5 : 4 : 1. In both the Bechuanaland Protectorate and Swazila

[1] These and subsequent population figures are from the 1946 census.

addition to Government officials, traders, and missionaries, re are European farmers and a few miners.

There are also some Coloured people and Indians in the ritories: their numbers are small and decreasing (except in aziland) and their political significance is negligible. The oured people are mostly artisans and unskilled workers, and st of the Indians are traders. In both the Bechuanaland Pro-orate and Swaziland, an appreciable proportion of the Euro-ns are Afrikaans-speaking, with strong racial and cultural iities with their brethren in the Union, whence many of them e emigrated.

THE POLITICAL BACKGROUND

The political history of the Territories goes back over a century. tarted with Moshesh, who founded the Basuto nation. He was vinced that the only hope for the existence and independence iis people lay in British protection, and he strove with tremen-is tenacity to achieve this end. Protection was first granted in 8, withdrawn in 1854, and re-established in 1868, when Basuto-d was proclaimed British Territory and the Basuto British jects. The Boers of the Free State, who were on the point of r-running the country and finally subjugating the people, pro-ed vigorously, though unsuccessfully, against an interference y considered unwarrantable. Three years later the country was iexed to the Cape Colony. Nine years afterwards war broke owing to tactless administration and the attempted disarming he people. After four years of desultory fighting peace was made, l the country was disannexed from the Cape and placed under ect Imperial control, where it has remained ever since.

The Cape Parliament continued to contribute to the cost of ninistering the colony until 1898, when, on the motion of Lord lner, then High Commissioner, the Basuto agreed to pay their n way by doubling their taxes and so freed themselves from the itrol of the Cape Government. During the Boer War the Para-unt Chief remained steadfastly loyal, despite opposition from ie of his people and the open defection of one strong chief to Boers. The extension of the railway in 1908 from the Free te to the capital was strongly opposed as a potential threat to country's independence, even though the length of line olved was only about two miles. The chiefs were even more ously alarmed by the projected unification of the four hitherto

independent South African Territories, and following the publication of the Schedule to the draft Act of Union, which provided for the transfer to the Union at some future date of any native territory, a deputation of chiefs went to England in 1909. This deputation petitioned the King that in the event of Union 'Basutoland may not be included in such union but may remain outside it, as far as possible, independent as it is now'. They also asked that should their inclusion become inevitable their position should be suitably safeguarded. The deputation was assured that 'it is the purpose of His Majesty and of His Majesty's Government, who are his advisers, that they should continue in the enjoyment of the privileges which they have hitherto possessed'.

The Basuto have since pursued the comparatively even political tenour of their way. The reopening of the question of transfer in 1933–5 caused some agitation, which was partially allayed by reaffirmation of the official assurance that transfer would not take place without full consultation with them. During the last war their loyalty was demonstrated by the enlistment of nearly 24,000 men, approximately 21,500 serving with the British Forces and 2,500 with the Union Defence Force. The thought of transfer, never very far from the surface, was voiced again during the Royal visit in 1947. In November 1949 it prompted a petition to the King for the removal from the country of Europeans who are nationals of the Union. The Basuto were afraid that their presence might imply fifth-columnist infiltration. This fear is probably without foundation, but its existence is significant.

The history of the other two Territories is essentially similar to that of Basutoland, although details differ. The Bechuana chiefs sought British protection from European filibusters operating from the Transvaal, and in 1885 obtained it. Later, the British South Africa Company obtained grants of land from various chiefs through whose domains the railway to the north was planned to run, and through Rhodes' efforts a small party of European pioneers was settled beyond the Kalahari Desert at Ghanzi, to act as a buffer and check to German expansion from South-West Africa. Preparations were also made for the territory to be entirely taken over by the B.S.A. Company, despite the protests of the chiefs and missionaries, and this would have been put into effect had not the Jameson raid, which actually set out from the Protectorate, then taken place. A deputation of chiefs went to England to protest against this transfer, and their supporters took advantage of

odes's temporary eclipse and the Matabele troubles of the mpany, to persuade the British Government to repudiate these parations and to reaffirm and strengthen the Protectorate.

Swaziland has had a more exciting and chequered history. At t it suffered from a plague of speculators and concession hunters, l drifted within the sphere of influence of the Transvaal Re-)lic. Then in 1890 it came under the joint supervision of Britain l the Transvaal, and in 1894 entirely under the Transvaal until Boer War, though it was never incorporated. Thereafter it was arately administered by a Special Commissioner under the vernor of the Transvaal until the restoration of responsible ernment to the latter in 1907. After that it came under the tish High Commissioner at the Cape, who was already respon- e for administering Basutoland and the Bechuanaland Pro- orate. Thus all the Territories have had some experience of trol by components of the present Union of South Africa, and ie of them enjoyed the experience. This historical fact is an :gral part of the present situation, and accounts for a good deal the people's continuing opposition to the transfer of their ntries to the Union.

n 1910, the 'practical' thing to have done would have been to orporate the Territories into the Union. This would have litated and unified native administration, abolished the irritating e islands and enclaves of separate governments, and nicely nded off the boundaries of the Union. Economically the Terri- es were dependent on the Union, and formed part of it. They ked there for markets and the Union looked to them as a source abour. The only argument against this course of action was a ral obligation not to hand the people over to another govern- it against their wishes. This was strengthened by the native icies of each of the provinces, apart from the Cape. The Cape icy was the most advanced in Africa. It granted equal political l franchise rights to all, irrespective of colour (though with some ılification as regards property), and in the almost purely native is of the Transkei it had developed a system of councils cul- iating in the Bunga, the super-council which embraced all the inskeian districts and gave the natives some degree of executive financial authority. The other provinces granted no such rights facilities to their native population, apart from restricted ichise rights in Natal. This policy was epitomised in the ondwet, or basic law, of 1858 of the Transvaal, which declared

(Art. 9) that there should be 'no equality between the white and the Coloured inhabitants, neither in Church nor in State'; and a similar policy as regards suffrage was applied in the Free State. Because of these very differences the Cape nearly refused to come into the Union, and its reluctance was only overcome by the hope and belief that its policy would eventually be accepted and spread further north.

During the next generation little happened either in the Union or in the Territories. The Cape developed the council system somewhat more widely, but there was no practical extension of the 'Cape Policy'. It was, in fact, beginning to lose ground. As the next few years showed only too clearly, the spirit of the north penetrated to the south rather than gave way to it. The Territories simply stagnated, so that when General Hertzog again raised the question of transfer in 1935 it came as a shock to many to see quite how badly they had deteriorated.

Meanwhile great political developments were taking place elsewhere in colonial Africa and throughout the Commonwealth. In Africa, the principle of 'Indirect Rule' was applied to one colony after another, and tremendous strides were made in their political development. Native Authorities were properly constituted and developed, and were given wide judicial, administrative, and fiscal powers. Native Treasuries were established, and Africans were actively encouraged to participate in local government. In the Dominions, political development culminated in the Statute of Westminster, which granted complete legislative independence to Dominion Parliaments, and which, so far as South Africa was concerned, had the effect of removing the last remnants of control by the British Parliament over native policy. This meant that if the Territories were handed over, Great Britain would have no constitutional means of safeguarding their interests.

No formal steps were taken to ascertain the wishes of the people to General Hertzog's *démarche*, but it was evident that the Africans were opposed to transfer, though most Europeans favoured it. In view of this opposition, and since the Territories were clearly an economic liability at that time, General Hertzog did not press his request, and it was agreed that the two countries should work together on convergent lines and the 'policy of both Governments should be directed to bringing about a situation in which, if transfer were to become a matter of practical politics, it could be effected with the full acquiescence of the people'. Since then great

nges have taken place both in the Union and in the Territories. wittingly their policies have been divergent and have consider-r widened the difference between them.

CONSTITUTIONAL AND ECONOMIC DEVELOPMENT

n the Territories, meanwhile, recent years have witnessed con-rable economic and political development. The latter has owed the pattern of progressive African participation in local ernment adopted elsewhere in colonial Africa. Native Authori- and Courts, similar to those established in Tanganyika, eria, and elsewhere, were formally established in the Bechuana-l Protectorate and Basutoland in 1934 and 1938 respectively, Native Treasuries were formed in 1938 and 1946. Swaziland lagged behind, and legislation for the establishment of Native irts is about to be introduced. At the same time, a more repre-ative character has been given to the Advisory Councils in all e Territories. This is especially true of Basutoland, where local incils have been formed, most of whose members are elected. w members elected by these Councils are sent to the National incil. These Advisory Councils themselves have no actual cutive powers, but as they are largely composed of representa-s of the Native Authorities, who are ultimately responsible for administration of local affairs, their views are seriously and fully considered by the Government.

Io official declaration of policy has been made in recent years o the ultimate destiny of the Territories, but it is natural that more intelligent of the African leaders should look to progress other British African Territories, where the development of l government is officially regarded as the precursor to African ticipation in Central Government and to ultimate self-govern-it within the British Commonwealth. In practically every ny of importance there are now Africans on the Legislative incil, even in countries such as Kenya and Northern Rhodesia, ch have an appreciable European population, and a form of onsible government is near achievement in the Gold Coast.

'rogress in the economic sphere, though less obvious, has never-less been considerable. Under the Colonial Development Fund the Colonial Development and Welfare Acts millions of inds have been spent or allocated, and even though millions re could well be spent, notable results have been achieved. In utoland, where over £130,000 was allocated between 1936 and

1946, and a third share of £2½ million was set aside for a ten-year development plan which was begun in 1946, the bulk of the money has been spent on agriculture, particularly soil reclamation, and public works (mainly roads and water supplies). The work carried on since 1936 to counteract soil-erosion is equal to the best in Southern Africa: it has been, and still is, conducted with the willing consent of the Native Authorities. Wool production has so much improved in quantity, and even more in quality, that in 1948–9 its value was over £1 million. In the Bechuanaland Protectorate, over £560,000 was granted between 1931 and 1946, together with a third of the £2½ million allocated jointly to all three Territories in 1946. The main schemes have been concerned with water development and conservation, which has opened up new areas for ranching; with livestock improvement; with two irrigation schemes; and latterly with education. In all these enterprises the native administrations have helped, and after their establishment all capital works, such as boreholes, livestock improvement centres, and the two irrigation schemes, have been maintained and financed through the Native Treasuries. In Swaziland, £816,000 was granted between 1930 and 1946, and, also in 1946, the third equal share of £2½ million for a ten-year development plan. Swaziland was an even poorer country than Bechuanaland, both of which Territories had been treasury-aided for many years before the war and therefore extremely thriftily administered. As in the Bechuanaland Protectorate, a good deal of the first amounts allocated under the Colonial Development Fund and Colonial Development and Welfare Acts went towards improving communications and other basic necessities. Apart from these measures, land was bought back from Europeans for Swazi settlement and a Land Settlement scheme was evolved to establish a true native peasantry that would live permanently on the land instead of migrating backwards and forwards to work in the Union.

A great deal still remains to be done, and none of the Territories can be said to be really prosperous. But economic and social conditions have vastly improved since 1935. Both Basutoland and the Bechuanaland Protectorates are now able to pay their way without a grant in aid, and until the very recent recession in revenue due to reduced customs receipts all three Territories were able to pay for a certain amount of development from current revenue. Basutoland, for instance, in June 1941 returned to the British Government some £47,000, which was the unspent part of a pre-

loan of £94,000 for a campaign against soil-erosion. There-r it financed this work from revenue.

lasutoland was and has remained a purely agricultural country. :re has been no industrial development, and a recent geological vey revealed no exploitable mineral wealth. In spite of increased duction and improved cultivation—and there is plenty of room still further improvement—production has not kept pace with ulation nor with the demand for consumer goods. The result been that Basutoland still very largely depends on the export abour to the Union's mines, farms, and industries. Formerly labour was almost all migratory, and went out for periods ying from a few months to several years. But now the growth ndustry in the Union has encouraged a limited settlement of the ι workers with their families in the urban areas. Pressure on the l is so great in Basutoland that many Basuto have availed thempes of this opportunity. The following census figures for 1936 1946 indicate this trend. In the latter year, the number of men women away from the Territory had dropped from 78,604 22,669 respectively to 68,634 and 12,144, a total decrease of 195. During that period whole families had migrated and been itten off'. The total population showed a net decrease of 5,446.

'he Bechuanaland Protectorate is more fortunate. Although ing has practically ceased there and industry is almost nontent, the country's agricultural resources are still capable of ansion and the average stock holding is considerably higher ι in the other two Territories and in the Union Reserves. Alugh there is some labour migration to the Union, it is on a iller scale, except in three small and grossly overpopulated :rves, and it is still of the traditional type. Swaziland is probably the most fortunate area, and it is the only one that may even iotely hope to be self-sufficient. There is still an appreciable of migrant labour to the Union, but the opening up of the lern flourishing Havelock Asbestos Mine, the village settlement eme, and, lately, the extensive afforestation schemes with the mise of industrial development, financed in part from the onial Development Corporation, all offer increased scope for l employment, besides swelling the country's revenues.

: UNION AND THE TERRITORIES: A CONTRAST IN POLICIES

n the Union, on the other hand, the changes have tended to tract rather than to expand the Africans' rights and participa-

tion in the control of affairs. The most obvious changes have been connected with the franchise, but they have been typical of other, less noticeable alterations, and reflect the general trend of European public opinion. The first change in the old Cape franchise, which granted adult manhood suffrage, irrespective of race, subject to educational and property qualifications, was the enfranchisement of European women in 1930.

In 1936—only a year after the Hertzog-Thomas discussions—an attempt was made to 'solve the native question for all time'. The drastic step was taken of removing Africans from the common roll and granting the Cape native voters the right to elect three European representatives to the House of Assembly, the Lower House of the Union Parliament. At the same time, a form of representation was given to all Union natives, hitherto entirely unrepresented except for those who qualified for the vote in the Cape, by providing for the indirect election, through electoral colleges, of four Senators to the Upper House. A Natives Representative Council, consisting of European officials and African nominated and indirectly elected representatives, was also established. Its function was to advise the Government on all Bills and other matters affecting native interests. This was the first constitutional enforcement of segregation since Union. The economic counterpart to this and other political moves was an undertaking to purchase additional land for the natives, and the Government undertook to provide a sum of £10 million over the next five years for this purpose. The large-scale buying of land was suspended during the war, but by 1948 a total of about £6 million had been spent. Great difficulties have been experienced from the opposition of European farmers to the sale of their land for Native occupation; and the attitude of the Nationalist Government may slow down the rate of progress

The provisions of the 1936 franchise failed to work out according to expectations. Excellent representatives were elected, whose influence was greater than their numbers, but they were unable greatly to alter the general course of events. Against this, other members who had previously had native voters in their constituencies, and so paid some attention to their needs, now largely ceased to do so. The Representative Council was a complete fiasco. So little weight was given to their views that in 1946 the African members decided to adjourn until 'all discriminatory legislation affecting non-Europeans was abolished' in the Union. After an abortive meeting, when the Deputy Prime Minister, the

Mr Hofmeyr, tried to persuade them to review their decision, eral Smuts proposed some tentative reforms. He suggested abolition of official and nominated members to the Council proposed turning it into a larger, all African, body, with minor utive and financial powers. These proposals were not well ived by the leading African representatives, with whom they discussed early in 1948. They did not, they felt, go far enough. he same time, strong opposition came from the Nationalist y on the grounds that they went too far.

he Nationalists won the General Election a few months later. y summoned a meeting of the Council, announced their pro- e intention of abolishing it and substituting regional councils ad, and since then have completely ignored it. At the same they have made it clear that they would like to abolish the e European native representatives in the House of Assembly, have indicated that they do not regard as legally or morally ling the reservation in the Act of Union that required such iges to the Constitution to be carried out by a two-thirds rity of both Houses, sitting together.

he same tendency is observable in other spheres. It is possible the Nationalist Government, which has only a small majority the support of the Afrikaaner Party, is more extremist than majority of the electorate.

FUTURE PROSPECTS

they are faced with a free choice between the dissimilar cies at present followed by the Union and the Territories, the ude of leading Africans in the Territories to the question of sfer is clear. The Union policy consciously aims at the sub- nation of African interests to those of the dominant European ority, whereas the policy in the Territories aims at the full elopment of African potentialities and the active participation Africans in the process of government in a loose partnership European groups, though not at their expense. This attitude ld almost certainly be supported by the mass of the African ple if the matter is considered from a public or national point iew. Apart from a traditional respect for the views of their lers, they are proud of their countries' position and prefer the ent form of government. But they have not been taught to k very much for themselves, and tend to follow their leaders: their consideration of the question might be coloured by cir-

cumscribed personal interests. As has been indicated thousands of natives from the Territories migrate to the Un work, and this applies as much to illiterate labourers as to ed teachers, who, though professing to dislike the socio-politic ditions of the Union, are prepared to face them for the sake higher wages they can get there. Moreover, there seems to b general awareness of the differences between the Union a Territories, as is shown by the lack of movement of natives near their borders. This is clearly seen in Bechuanaland, wh tribe, the Barolong, has divisions in both the Union an Territory, under the same chief. Both sections seem c content and there is no movement from one side to the oth

There is one other way in which the position may be a The declared aim of the Nationalist Party is to turn South into a Republic and sever the link with the Crown. But the connection has a tremendous traditional emotional appe many Africans have a rooted belief that under the rule King of England there is always hope for better days. They l that 'One day the King will hear about our troubles'. The d tion of a Republic of South Africa would almost certainly in the loyalty of the Territories.

As to the European populations, the issue has in the pas fairly simple. Most officials and missionaries favoured the p system; many traders and most miners and settlers sup transfer. Since the last General Elections there has been a sion of feeling against the Union and the Republican an British policies of the present Nationalist Government. Th been no definite expression of opinion from Swaziland, b European Advisory Council of the Bechuanaland Protec which used frequently to agitate for transfer to the Unio twice repudiated this attitude and voted in favour of fed with the Rhodesias. This would be feasible for the Bechua Protectorate, but not for the other two Territories. If South did become a Republic, their position might become most d unless Natal seceded and they joined forces with her. But t remote contingency that opens up new fields for speculatio

H

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTS

THE WORLD TODAY

Volume VI No. 3 March 1950

*

Notes of the Month

'he Sino-Soviet Pact

THE treaty concluded in 1945 between the U.S.S.R. and China ras as unequal as any to which China had to submit in the course f her relations with other Powers. That it helped to discredit the Kuomintang cannot be doubted, and it thus served the Soviet Jnion's purposes in either event. In weakening Chiang Kai-shek's osition, it strengthened the Communists, while if the Kuomin-ang remained in power, it gave Moscow a strangle-hold on some f China's most important provinces.

Under the agreements signed on 14 February 1950, the in-qualities that were considered proper when imposed on Kuomin-ang China have been removed, or rather are to be removed after n interval of three years. The history of Russo-Chinese relations uggests that the delay may not work to China's advantage. In 919, anxious both to win the support of the 'exploited colonial eoples' and to undermine Western influence in the Far East, he Soviets offered to return the Chinese Eastern Railway without ompensation; but when the treaty of 1924 was concluded, the Soviet Union retained the railway.

Special agreements were reached in 1945 on Sinkiang and Manchuria. Sinkiang is not mentioned at all in the new agreements, lthough a Sinkiang trade mission was in Moscow during the negotiations. It is interesting to note that China's sovereignty over his province, which had previously been explicitly acknowledged, s not referred to in the new agreements. On the other hand, the preamble specifically reaffirms the separation of Outer Mongolia rom China.

It is in Manchuria that Moscow appears to have made the greatest concessions, and to have recognized in fact the equality n which it has, without justification, congratulated itself for thirty ears. The Chinese Eastern and South Manchurian Railways, now

known jointly as the Chinese Changchun Railway, are to be hand over to the full ownership and control of the Chinese Governme by the end of 1952 (or earlier, should there be a peace treaty wi Japan). Port Arthur is to be returned to China on the same con(tions, but may be used jointly by the U.S.S.R. and China as naval base in the event of war. The status of Dairen, which und the 1945 treaty was to be a free port, one half leased to the U.S.S.I is to be considered later. A rather loosely-worded sentence in t communiqué states that notes were exchanged on the decision the Soviet Government to hand over gratis to the Chinese Gover ment 'the property acquired by the Soviet economic organizatio from Japanese owners in Manchuria'. What precisely this involv is not stated, nor whether it refers to all property removed from Manchuria in 1945. Nor can any estimate be made of the value of equipment removed hurriedly five years ago, and presumably in constant use since then.

The treaty of friendship, alliance, and mutual assistance, to run for thirty years, does not differ in any important respect from those concluded between the Soviet Union and its neighbours in Europe.

The credits granted are surprisingly small, and will clearly do little to satisfy China's immense and urgent needs. Over the course of the next five years, the Soviet Union will grant credits totalling 300 million dollars at 1 per cent, interest to be paid currently and repayment to begin in 1954. This is considerably less than the credits granted by the U.S.S.R. to Poland, and roughly one-twentieth of the sums received annually by the United Kingdom as a gift under Marshall Aid.

The terms of the published agreements are so straightforward that it seems unlikely that two months were required for their drafting—at a time, moreover, when the Chinese leaders might have been expected to be fully engaged at home. That weighty questions have been omitted is clear; whether these have been covered by unpublished agreements, or whether agreement was unobtainable, will appear in time.

The New Italian Government

THE new Italian Government formed at the end of January by Signor De Gasperi—this time a three-party coalition of Christian Democrats, Democratic Socialists, and Republicans—has lost no time in getting into its stride. This was, indeed, essential—partly because important economic legislation had been to some extent

s ever since November, when the resignation of the Demo-
Socialist Ministers made it clear that Governmental changes
have to be made; and, even more urgently, because the
s and troops of the Italian Security Corps could not proceed
ıaliland until the Bill approving the Somaliland agreement
en passed in Parliament. This agreement, drawn up jointly
ıited Nations and Italian representatives at Geneva in
y, was approved by both Houses as soon as Parliament
ıbled, and the Italian troops sailed for Somaliland on
uary, there to take over from the British Military Admini-
ı before the monsoons break in mid-March and render
novements impossible. Italy's return to Somaliland as trus-
ninistrator under the United Nations has been strongly
ed in some quarters in Italy: the Left Opposition, especially
cialists, profess to regard further colonial expenditure as a
of money, while some small sections of the extreme Right
ain the pre-war colonial outlook and had hoped for greater
But both Signor De Gasperi and Count Sforza have made it
ear in their statements on the subject that they are deeply
of Italy's responsibilities: Count Sforza has stressed the
ational character' of Italy's return to Somaliland, 'as
d-bearers of the United Nations'.

he economic side, the new Government's chief task is to put
ect quickly the many reforms which were set on foot by its
essor. Most of these reforms are still at the planning stage,
ı a good deal has been done in preparing the necessary legis-
and some of them—as, for instance, the Fanfani Plan for
g unemployment and housing shortage, and the portion of
arian reform Bill concerning Calabria—came into effect last
t has now been recognized that the over-riding problems
employment and the need to increase production, and all
nic policy is to be co-ordinated towards these aims. For
ırpose Signor De Gasperi has included in his new Cabinet
tra Ministers without Portfolio, over and above the normal
ers dealing with economic affairs; their special duties are to
inate investment, both in State-controlled and in private
ns, and to control the expenditure of the economic Minis-
Under the chairmanship of one of these Ministers, Signor
lli, meetings of the Ministers concerned, together with
entatives both of the employers and of the Trades Unions,
lready been held to discuss ways and means of achieving

maximum production and employment. Signor De Gasperi has also announced a long-term public works programme which is intended to provide employment and at the same time benefit especially the depressed areas, particularly the South.

It remains to be seen what will be the effect of the departure of the Liberals from the present Government. Their withdrawal came about chiefly as a result of their objections to the proposals for the extension of regional administration to the whole country, and to parts of the agrarian reform proposals. On the question of regionalism doubts are not confined to the Liberals, and have even been expressed lately among Left-wing sections of Signor De Gasperi's own party. These Christian Democrat Left-wingers—the 'Dossettiani', as they have come to be called, after their chief exponent—through their wish to retain two of the economic Ministries in their own hands provided Signor De Gasperi with some of his last-minute difficulties in Cabinet-making. But their emergence is an interesting development, and may help to counter fears that the Christian Democrats may be pushed further to the Right now that the Liberals are no longer there.

Dilemma for Soviet Intellectuals

IN THE summer of 1947, when the Soviet campaign against 'bourgeois ideology' was in full swing, an additional organization was created to supplement the progapanda work of Soviet schools, universities, press, and radio. Under the chairmanship of S. I. Vavilov, President of the U.S.S.R. Academy of Sciences, seventy prominent scientists founded the 'Society for the Dissemination of Political and Scientific Knowledge' to give public lectures on a variety of international and domestic subjects, to publish pamphlets, to organize film shows, exhibitions, and kolkhoz university courses, and eventually to take over the publishing of all popular educational literature. The aims of the Society are 'to explain the foreign policy of the U.S.S.R., resolutely to expose the provocateurs of a new war and aggression, to demonstrate the falsity and limited nature of bourgeois democracy, and reveal the reactionary substance of the ideology of the modern imperialist bourgeoisie and its opportunist servitors' (Foundation Address, *Soviet Monitor*, 1 May 1947). At the same time lecturers are to 'propagate the materialist philosophy, publicize the priority of Russian and Soviet science, fight against anti-scientific notions, against remnants of an alien ideology, and against cringing before things foreign'.

The second anniversary conference of the Society was held in Moscow in July 1949. From tediously identical reports given by Vavilov and others, it appeared that the Society had grown impressively. At the time of the conference it counted 40,000 ordinary, 20,000 'competing', and about 1,000 collective members, recruited from the élite of the Soviet intelligentsia and top-ranking party and Government officials. The privilege of membership entails, in addition to an entrance and annual fee, the obligation to deliver at least two lectures a year and to participate in other activities. The Society has branches in all but one of the sixteen Union Republics. There are ninety-six branch offices, and numerous organizers in town and country. It has 3,500 lecture centres and the number of lectures per month had in May last reached 22,500. Total attendance rose to 23 million during the second year of the Society's existence. In all, 500 pamphlets (reprints of lectures) in 33 million copies were distributed. Of the Moscow publications, 81 were on the natural sciences and medicine, 69 on international affairs, 50 on pedagogical questions, 38 on literature and art, 36 on historical and 31 on technical subjects, 25 each on economics, State and law, and philosophy, and 12 on problems of war.

After the initial general praise of the Society's achievements, its staff and members came in—as is customary at Soviet conferences —for all-round criticism, usually far more revealing than the eulogies. In the first place, the Society, in spite of generous Government and party support, has not made full use of all the resources at its disposal, especially in the villages, nor has it managed to recruit more than a fraction of the Soviet intelligentsia. Those who have joined this 'voluntary society of intellectuals with honourable tasks' do not make sufficient use of the 'rights' to take part in the activities. In fact, they often dodge lecturing and other work under the pretence of being busy elsewhere. It was hoped that various new measures, such as a reduction in members' fees and greater differentiation in fees for lectures, would encourage fuller participation. Especially revealing was the criticism of the lectures themselves. Some were 'ideologically unsound', others contained 'grave factual mistakes'.

The Soviet people, the party, and the Government, said one of the speakers, attribute particularly great importance to this educational work on the part of the élite of the Soviet intelligentsia; each word pronounced on behalf of the Society must there-

fore be carefully weighed. It would, indeed, probably be ad
that newcomers should give rehearsal lectures and that texts
be checked. As to their range, Vavilov reported, there wer
good lectures on specific subjects, such as physics, astr
chemistry, biology, but (significantly) practically no lectu
broad principles of philosophy and *Weltanschauung*. Lect
topical questions of Soviet domestic and foreign policy,
history of the party or the U.S.S.R., on Soviet econ
patriotism, or Communist education, were rare, and the spr
of scientific knowledge on atheism quite insufficient. A
published after the conference in the Society's journal
i Zhizn ('Science and Life') indicate a revival of activ
religious propaganda, which had ceased after the closing d
the League of the Godless at the beginning of the war. A
programme of thirty 'scientific-atheist' lectures has been v
out by the Society and suitable lecturers appointed. It is p
out that the revival of the Church does not signify a cha
principles, but merely demonstrates the freedom of religion g
by the Constitution. Communism and religion are irreconc
being part of an anti-scientific, reactionary ideology, religi
no place in Soviet society, but it must be driven out by edu
and persuasion and not by compulsion.

There is undoubtedly a widespread desire for knowledge
U.S.S.R., and the Government clearly encourages this de
keeping it at the same time within well-defined channel
utilizing it to the full for the inculcation of a 'correct ide

Reading between the lines, two things emerge: first, the G
ment's difficulties arising on the one hand from the need to e
the masses, on the other from their fear lest real knowledg
endanger their position; and secondly, the dilemma of the
intellectual—how to take part in scientific, artistic, or educa
work and yet keep out of trouble.

Berlin, New Year 1950

A VISITOR to the Western Sectors of Berlin at the turn of the year 1949–50 could not fail to be struck by outward signs of prosperity. In and near the Kurfurstendamm luxury shops are full of goods, and there are many new cafés, bars, and restaurants. If the pavements were fuller of shopgazers than the shops and restaurants themselves were full of customers, that could perhaps be attributed to 'the week after Christmas'. Queues outside the Exchange Posts (*Wechselstube*) showed that money was changing hands rapidly; the rate of exchange on these Posts between Deutsche marks and Ost marks was then 1 : 6.20–6.40—and is at the time of writing 1 : 7. The British Information Centre and the B.E.A. office on the Kurfurstendamm are now almost the only signs of Occupying Forces in Berlin's West End; to see a British or an American car, except near their respective headquarters, is comparatively rare. During the period of the blockade great strides were made in clearing rubble. Gaunt skeletons of houses have been pulled down; ruined squares, like the Lutzow Platz, are now filled with solid masses of neatly stacked bricks; a lucrative sideline of West Berlin's business today is selling scrap extracted by magnets from the ruins to other countries, including England.

The windows of the delicatessen shops and the menus of the more expensive restaurants show that there is plenty of food to be had, but prices are so high that, while few people are hungry, many cannot afford to buy their full rations, especially the dearer items such as meat. Christmas trade was reported in the press to have been 'fair, better than expected'. The West Berliners bought food, drink, and clothing (particularly shoes and stockings[1]), in that order. Indeed one Berlin newspaper[2] reported that this, the first real post-war Christmas, had resulted in extra work for the doctors because the return of the traditional goose to their menu had proved a diet too rich in fat for many Berliners.

Unhappily, however, neon lights, well-stocked shops, and Christmas trees on the Kurfurstendamm, as well as a real if limited measure of recovery in certain directions and steadily rising exports to the Western Zones, temporarily distracted attention from the

[1] The number of shops selling shoes and stockings appears at first far to exceed the normal, and is an interesting indication that the demand for these essential items of dress, unobtainable for a number of years, has not yet been satisfied.

[2] *Tagesspiegel*, 28 December 1949.

harsh fact that there were at Christmas-time 278,000 unemploye in the Western Sectors of the City, or about one in four of th working population. This state of affairs is not solely attributab to the after-effects of the blockade. In 1936, although Berli accounted for only 6 per cent of the total German industrial pro duction, she was responsible for a much higher percentage i certain types of industry: 48 per cent of machinery and electric appliances; 39 per cent clothing; 23 per cent precision and optic instruments; 20 per cent machine tools; and 14 per cent semi manufactured metal goods.[1] Today there are still a high proportio of skilled workers in these industries; but this skill cannot alon compensate for the division of Germany into zones, severance fror the raw material sources in Silesia, and the additional overhead imposed by the distance between Berlin and her sources of rav material in the West.

Aid to Berlin in the winter of 1949 had, in the first place, to b in the form of credits to enable the already bankrupt Magistrat or City Government, to provide assistance and, as far as possible work for the unemployed. Credits from the Federal Governmen in Bonn were promised at the rate of 60 million DM monthly during the last five months of 1949. Under the agreement signec on 1 December between the West German Government anc E.C.A., continued aid is to be made available to Western Berlir by the Federal Government, though the monthly rate was to be reduced from January 1950 to 5 million DM. This reduced figure was theoretically made possible by the release of 95 million DM from E.C.A. Counterpart Funds for investment in Berlin. According to a statement by the United States Commander in Berlin on 16 December, 'This aid will do much to help the economic revival of the City by enabling Berliners to improve their industrial plant, get some new machinery, and make some strides towards raising their production.' Major-General Taylor went on to point out, however, that 'in the last analysis it is German capital and German effort that will restore the City.' The Counterpart Fund credit will be divided into three categories: 40 million DM for heavy industry, to be divided among sixteen industry groups; 5 million DM for commerce and transport; and 50 million for housing and small industry. The first instalment (of 1 million DM) was expected in mid-January, and the second, of 3 million, in March. The

[1] *U.N. Economic Bulletin for Europe*, Third Quarter, 1949—Vol. 1, No. 3, p. 29 et seq.

Magistrat has planned to use the first credit for rubble clearance and the building of private dwellings, work which had to be curtailed in 1949 for lack of funds. When the full amount allocated for housing has been received, repairs to damaged buildings and the completion of the social housing projects interrupted by the war should ultimately make available over 60,000 additional dwelling units, according to General Taylor.[1]

A further step to make capital available for Berlin was taken when a regulation, issued by the Western Commandants, became effective on 31 December 1949, under which Berlin's pre-Occupation Reichsmark accounts were revalorized at a conversion rate of 20 RM to 1 DM, payable in three equal instalments. By April 1952 it is reckoned that West Berlin economy will have benefited under this reform to the extent of 250 million DM new capital, of which perhaps 75 million DM should be available during 1950.

More than a little of the apparent prosperity of Western Berlin —new shops and windows full of goods—may well be attributable to a gamble on these future credits and a determination on the part of employers not to turn off any more workers. There are, however, sections of the business community in Western Berlin which have been particularly hard hit, first by the blockade, and then by the effective division of the City into two halves with separate currencies. Among these are, for example, publishers and booksellers, artists and craftsmen, and others who live by selling services rather than goods. Bookshops in the Western Sectors are nearly always empty and seem to have comparatively few newly published books, none published in the East and comparatively few from Western Germany. Moreover their prices are high. In the Eastern Sector, bookshops seemed to have both more books and more customers in them. The books are often printed on poorer paper than those to be found in the Western Sectors of the City, and are bound in paper covers rather than boards, but they are appreciably cheaper. There are, of course, reasons for this in the policy pursued from the beginning of the Occupation by the Russians, and now by the East German Government, of giving special financial and material inducements to 'creative workers', and also in the fact that Leipzig and all that it stands for in the printing and publishing world is situated in Eastern Germany. Among a vast deal of Marxist propaganda, there are in East Sector

[1] The completion of this programme is, however, estimated to need a further 40 million DM.

bookshops many German classics unavailable since 1945 and pr bably, in some cases, since 1933. It is obvious that the student ar the booklover in West Berlin can change his DMs for Ost marl at the rate of 1 to 6, and can buy several books in an East Sect bookshop for the price of one in a shop on the Kurfurstendamn Similarly, a woman in the West can get her hair done in the Ea at less than half the price. Tailors in the Eastern Sector are kej busy making up material bought in the Western Sectors an brought to them by Western Berliners to be made up at one-sixt of the rate charged by their counterparts in the West.

Quite apart from these consequences of the difference betwee the two currencies, many Berliners must still work in one Secto and live in another, and therefore receive their pay up to 60 pe cent in the currency of their place of work, and the remainder i that of the Sector where they live. One has to be comfortably o in Berlin today to afford the luxury of refusing to buy goods an services in the cheapest market, even when it happens to be in th East Sector. The women of the Western Sectors make a clos scrutiny of goods in the East Sector shops and compare price with quality; if they have received a proportion of pay in Ost marks they may decide to use up these marks in purchases in the Eas without exchanging them into Deutsche marks. This practice o going to the East Sector for goods and services in order to benefi by the favourable exchange rate has been the cause of an increase in unemployment and even bankruptcy among West Sector hairdressers, tailors, and others who make a living by selling their services. It has certainly caused some remarkable price reductions in the Western Sectors, such as the introduction of a subscription for six months for twelve appointments at the hairdresser's for the price of three or four single appointments at the old rate.

Thus, in the West Sector, it is chiefly artists and craftsmen and those with skills to sell who feel the pinch, but purveyors of any form of luxury goods are also affected; for example, before the great German festival of Sylvester (New Year's Eve) a large number of West Berliners went to buy the drink for their celebrations in the Eastern Sector. There is, unhappily, real want in certain sections of the population, among elderly intellectuals, retired professors, and others living on pensions or fixed incomes. As elsewhere, West Berliners grouse about the policy of their Government (Magistrat). Some complain that it allows shops and cinemas to be built instead of houses; business men grouse because the

Social Democrat majority is in their view handicapping recovery by maintaining too many controls and restrictions. Yet it would probably be unwise to assume from these grumbles that the Social Democrats will not again be returned to power at the next election. Far more complaints are uttered against the Federal Government in Bonn: 'Einmal am Rhein und dann in Bonn ein Bonzer sein' is the refrain of a currently popular cabaret song in West Berlin which lightheartedly compares the rulers of Western Germany with the Nazi party bosses.

Despite heavy and increasing unemployment, there is in West Berlin an astonishing optimism, a conviction that the worst corner has been turned, and an unshakable pride in their City and faith in its future. Whatever may happen in West Germany, it is impossible to believe that the new East German Government will ever win adherents in Berlin, however much it may campaign for German unity. Pastor Niemöller's declaration recently that he would welcome German unity, even if it could only be achieved under Russian rule, was criticized in the West Berlin press. Many unpolitically-minded Berliners, however, go about the City for business or pleasure without thinking at all in terms of 'sectors'. Of the politically conscious, there are some who feel, in the words of one young Berliner, that 'the enemy are just across the Potsdamer Platz'. Moreover, some Western Sector students still studying at the Humboldt University continue to demonstrate, inside the East Sector, their membership of the Social Democratic Party. Among intellectuals, there are a few authors and publishers who, facing bankruptcy in the Western Sectors thanks first to the blockade and then to the rate of exchange, steadfastly refuse to join the Socialist Unity Party and set up business in the (for them) more profitable East. Some of these also continue to maintain contact, through discussion groups or membership of societies for cultural understanding, between individuals with different political affiliations, whether Germans or members of the Occupying Forces both in the West and East of the City.

To enter the Soviet Sector of the City, either by walking across the desolate Tiergarten, with its narrow border of newly-planted grass and young trees, past the Soviet war memorial, now incongruously surmounted by top-heavy bronze statuary, and under the Brandenburger Tor, or by emerging from the Stadtbahn into the Potsdamer Platz, is a more remarkable experience in 1950 than in either 1947 or 1948. The contrast between the Western and

Eastern Sectors of the City has become more clearly discernible, i the different degree of economic reconstruction. It is also marke by the number of huge hoardings bearing portraits of Stalin an political slogans which confront one in the East. There appear to have been far less clearance of rubble, and hardly any rebuildin of shops or flats in half-ruined blocks, as compared with the West The only exceptions are the stores, restaurants, and cafés set u by the Communist-controlled *Handels-Organizationen* (familiarl known as the 'H.O.s'), in which goods are sold on the free marke at inflated prices. On Unter den Linden workmen are engaged o one vast new building, the future Russian Embassy in Berlin; few other large buildings under construction elsewhere appear t be designed for administrative purposes. But the further one pene trates into the Sector the fewer are the signs—at all events th outward signs—of reconstruction and recovery. The hoarding bearing such legends as 'We thank Stalin, Germany's greatest friend' or 'Stalin who guides and leads all progressive men and women towards peace and freedom' can hardly fail to recall Nazi slogans.

The colossal 'Stalin Memorial' in the former People's Park at Treptow is intended by the Russians to be a permanent reminder to the German people of Russia's fight for freedom on their behalf. For all its effectiveness as a whole, and the beauty of certain of its statues and bas reliefs, one is overwhelmed by sheer size. The Memorial with its surroundings cover a rectangular area of somewhere approaching 400 by 800 square yards. A many-times life-sized statue of a Russian soldier, carrying a child in his arms and standing at the top of a flight of steps, surmounts the whole. Beneath it, guarded by a Russian sentry, is a kind of circular shrine whose walls are covered with four more-than-life-size figures in mosaic. Half way along the Memorial, at the top of another flight of steps and also guarded by a Russian sentry, are two huge plinths of red marble taken from the ruins of the Reichstag. Everywhere, over the gateway, on the twenty-four stone bas reliefs which flank the Memorial, are quotations from Stalin's works, or epitaphs to the valour of the Red Army. The Memorial was executed by German craftsmen to Russian specifications. Russian officers and soldiers go there, but few Germans. To visit it is a memorable experience, to which the return journey through the depressing and untidy ruins of the East Sector adds an element of fantasy.

The superficial impression of the East Sector is not merely that

ess economic reconstruction has been achieved, but also that the eneral standard of living is lower than in the Western Sectors. Against this must be set the fact that there is little or no unemployment and that, thanks to the Hennecke movement (the German equivalent of the Stakhanovites in the U.S.S.R.), the Two-Year Economic Plan is, according to a recent statement by the East German Government, about to be completed within eighteen months. But despite this increased output, the East Zone is behindhand with its deliveries under the Frankfurt Inter-Zonal Agreement, although it urgently needs the coal, steel, and machinery which West Germany is to deliver in return. Moreover, even members of the S.E.D. party are reported to have admitted the justice of complaints by customers, whether in West Berlin or Western Germany, of the increasingly poor quality of Hennecke-produced goods.

In an attempt to offset the consequence of this East German failure to keep up with deliveries under the Frankfurt Agreement—and partly also perhaps to prevent 'strategic' materials finding their way by roundabout routes from West to East Germany—the Bonn Government has issued a regulation, effective from 1 January 1950, under which no goods may pass over the zonal frontiers or through Berlin except within the terms of the Frankfurt Agreement. At the present moment, whatever the long-term picture may be, it would appear that Western Germany is in a relatively more favourable position than the Eastern Zone as regards industrial production, although she is a net importer of foodstuffs. According to those who live in Eastern Berlin and in the Eastern Zone, rations are now lower than in the West and there is less to be bought in the free market. There is also alleged to be a sharp distinction between supplies of foodstuffs and fuel to the City of Berlin and its inner suburbs, and to towns and villages further into the Zone. In the Zone, for example, according to doctors in practice there, children are still suffering from undernourishment and get only half a litre of milk a day instead of the three-quarters which most doctors regard as the safe minimum. The lower standard of living is not, however, simply the result of the Land Reform, which has reduced agricultural output, partly because it involved putting on the land former townspeople who lack skill and experience in farming. It has to be remembered that although what is now the Eastern Zone exported in 1936 to the rest of Germany wheat, rye, sugar, and potatoes, it also imported meat,

butter, and cheese. Only the part of Germany to the east of Oder-Neisse Line, which now belongs to Poland, had an exp able surplus of all agricultural products.[1]

At the beginning of January, after a National Front organizat for the whole of Germany had been launched in the Soviet Zc the Press adopted a new propaganda line to the effect that ther work and bread for all in the East, no lack of markets, and fore trade relations based on equality of rights, whereas in the West economic situation is alleged to be constantly deteriorating unemployment increasing. Yet there do not seem to be many si that Germans in East Berlin and the Eastern Zone appreciate th good fortune. People who live thirty or forty miles outside Berl in Brandenburg, for example, complain that the trains to and fr Berlin frequently lack light and heat and are often late owing lack of fuel. Those living further out, in Mecklenburg, report t two police searches, as thorough as most frontier controls, are normal practice during their two or three hour journey into capital. There are also grumbles at the new 'class system', whi accords to those who hold posts of academic or artistic eminen in addition to the high salary they naturally earn, not only t highest grade of ration cards but also any 'extras' that are availab

It is not primarily such considerations, nor yet the econon situation, which drives so many thousands of men and women fr Eastern Germany over the zonal frontier to the West as refuge To people outside Germany the rate of this westward flow 23,000 a month to the British Zone only—has seemed incompr hensible. It has been suggested that the Soviet authorities mu have deliberately forced people to flee, with the intention of addi to the already great economic and social problems facing the We German Government and the Western Allies. There are, it true, probably quite a number of Communists sent over among th refugees, as also of 'undesirables' of other kinds. The receptic camps on the zonal frontiers, like that at Uelsen in the Britis Zone, sift the refugees thoroughly; those who cannot prove them selves to be victims of political persecution are actually sent bac from the American Zone. But in actual fact the high rate can b accounted for without much difficulty. It is, of course, still possib to live and work in Eastern Germany, as do hundreds of thousan of ordinary people, provided one is fairly obscure and prepared take no part in political life. On the other hand, the moment

[1] *U.N. Economic Bulletin for Europe*, op. cit.

man rises to any kind of eminence, even in a small country town, he is required to join the S.E.D. Party; if he refuses, he is offered alternative employment of an inferior kind. To take only one example, a surgeon who belonged to no political party was informed after he had become senior surgeon at his local hospital that he must join the S.E.D. or take a post as a doctor in a concentration camp. He and his family are now in the West, where he has found work despite the fact that there are relatively too many doctors in the West and too few in the East. During the past few months instructions have been given that teachers must now be members of the S.E.D. Party.

The turn of the year also saw the arrest of leading members of the Liberal Democratic Party in Brandenburg and Saxony. *Neues Deutschland*, the S.E.D. paper, contained an article about the party leadership of the two non-Communist parties, the L.D.P. and the C.D.U., under the title 'Obstreperous Reactionaries'. Even if the façade of democracy remains for a little longer, till the elections in October 1950, these arrests and the still more frequent dismissals from office give some indication of the reality it masks. By the end of January, the resignation of Professor Hickmann, Chairman of the C.D.U. in Saxony, and the denunciation of all members of the party who held his views, carried the campaign against those who oppose Communist rule a stage further. Nowadays people from the Eastern Zone, even in Berlin, are apt to lower their voices and glance over their shoulders in any public place, restaurant, bus, or train, in a manner unhappily reminiscent of the Nazi period. This also happens if they are talking to a German from the West, however incognito he or she might outwardly appear to a third party, and however innocuous the conversation.

Since the beginning of January unemployment in Western Berlin has increased to 293,000 and is still rising; the promised allocations of E.R.P. and Federal Government funds have not yet arrived.[1] The next three months will be critical, and the West Berliners' optimism may be still more severely tested. Reports of their plight will be used as propaganda during the National Front campaign for national unity in Western Germany, where it will be made to serve its turn, together with rising unemployment there and dislike of the Occupation Powers' policies with regard to dismantling and the Saar in particular. But one thing is clear

[1] *The Times*, 24 January 1950.

to anyone who has been in Berlin during and since the block: the 'hardship without glamour or limelight' of the winter of 1 will be no more likely than the greater hardships of the block winter of a year ago to shake the conviction of Berliners that e German unity can be bought at too high a price. Unhappily conviction cannot of itself secure the continued independence Berlin. Moral support deriving from the permanent presence Berlin of high-ranking officials of the Western Powers is perh almost as important to Berliners today as the assurance that Western Powers have no intention of letting themselves squeezed out either by blockade or a political coup.

I. D

The Gold Coast

Background to the Coussey Report

IN August 1949 the forty African leaders charged with maki proposals for the constitutional reform of the Gold Coast, un the chairmanship of an African judge, presented their recomme dations to the Governor. Two months later, on 26 October 19 these recommendations were made public, along with a dispat from the British Secretary of State for the Colonies. Both t composition of this all-African commission and the far-reachi political changes which it proposed marked an event without pr cedent in British colonial history.

Before examining the proposals and the British Governmen qualified acceptance of them, and also the reactions among Go Coast Africans, it is worth recalling a few facts about the territo to which they apply, as well as some of the more important even in the story of its association with Britain.

THE GOLD COAST TERRITORIES

Of the four British territories in West Africa, the Gold Coa comes second to Nigeria in size and population. With the additi of the small trusteeship territory of Togoland to the east, it com prises an area rather larger than that of Great Britain. Apart fro Togoland there are three main divisions: the Colony, on the coas

shanti, immediately to the north; and, further north still, the forthern Territories. The population of four and a half millions more concentrated in the Colony than in the forests of Ashanti r the wide savanna of the Northern Territories. The wealth of ie colony comes from the central forests, or 'high bush', which xtend as far as the sea in the west. Here are the mineral deposits f gold, manganese, and bauxite, worked mostly under European irection, and the hundreds of small cocoa farms cultivated by idependent African peasants. Cocoa accounts for 63 per cent of otal exports.

The history of British association with the Gold Coast dates from trading settlements of the seventeenth century, when slaves were the chief export. Indeed, the opposition of African exporters to the abolition of the British slave trade contributed to persuade the British Government in 1821 to annex the trading settlements to the Crown. Policy was also conditioned by the earlier wars in which the British had felt obliged to support the Fanti tribes of the coast against the aggressive and well-organized tribes of the Ashanti to the north. A few years later a further war with the Ashanti nearly led to a complete abandonment of British interests in the Gold Coast.

THE ASHANTI WARS: KING PREMPEH AND THE GOLDEN STOOL

For the best part of the nineteenth century the British Government was doubtful of the value of these interests, and policy vacillated; but in 1874 a more positive colonial policy defined what had previously been a number of settlements as the Gold Coast Colony. Uncertainty as to the actual extent of the Colony and its relations with the territory to the north was ended by the sixth Ashanti War, 1873–4, when for the first time the British took aggressive action, invaded Kumasi, the Ashanti capital, and burned it. Despite the treaty which was then drawn up between Queen Victoria and King Koffee, the relations between the Colony and the Ashanti Kingdom were unsatisfactory, and in 1896, after the Ashanti had rejected the offer of a Protectorate, Kumasi was again invaded. King Prempeh, head of the Ashanti Confederacy, was deported and a British Resident replaced him.

This time the Ashanti had offered no resistance, but now that their dynasty was overthrown they were at pains to hide the Ashanti Golden Stool which was not only the symbol of royal

authority but was believed to contain the soul of the As people. The Gold Coast Governor of that time, unaware full symbolic significance, demanded the surrender of the and thereby provoked the last Ashanti war. The Ashanti wer feated and their territory annexed in 1901. Twenty years late Stool was found by chance when some labourers were engag cutting a new road. The guardians of the Stool placed it in a hiding place, but not a secure one, for some of its gold ornar were subsequently stolen by a Christian convert and Ashantis. At the news of this sacrilege the whole Ashanti n went into mourning, and was ready to resist if the British demanded the Stool's surrender. But times had changed, an British not only laid no claim to the Stool, but saw that those had robbed and offended were brought to trial. Moreover deported King was recalled from exile, and eleven years lat 1935, the Golden Stool was given official recognition.

In the meantime the Fanti, who were the less united trib the coastal region, had peaceably adapted themselves to Bı ascendancy, but by agreement rather than submission. By Bond of 1844 a group of Fanti chiefs agreed to rule by 'the ge principles of British law', and in 1852 a number of chiefs u the Governor named themselves 'the Legislative Assemb native chiefs upon the Gold Coast'. This 'Negro Parliament', was called by the Colonial Secretary of the time, was short-l but in 1868, when, partly owing to the fifth Ashanti war, the] tribes suffered a loss of faith in the British who they thought n abandon the Gold Coast, a number of Fanti chiefs made an i pendent move towards self-government by establishing a] Confederation. Three years later this Confederation, aided number of educated Africans, drew up a Constitution and es lished a Representative Assembly with legislative powers. again was short-lived. The Fanti tribes lacked cohesion and u and the proclamation of the Gold Coast as a Colony in 187 solved all doubts as to British intentions.

In 1885 the Fanti tribes participated in British rule for the time, for in that year the first African unofficial member nominated to the Legislative Council. Towards the end of century there was another independent move on the part of Fanti tribes when the Gold Coast Aborigines' Rights Protec Society was founded. This society had an initial success in 1 when it sent a deputation to Joseph Chamberlain, then Col

Secretary, and prevailed on him to ask for the withdrawal of the Lands Bill. This measure had aimed at controlling the concession-hunters who were after the territory's rich mineral deposits, but its provisions seemed ambiguous to Africans. The Aborigines' Society remained as a body representative of educated African opinion—and as such was consulted by the Gold Coast Government—until 1932, when it received an official notification that its functions were no longer recognized. By that time much had happened. The foundations of local and central government as well as of the social services had been laid under the Governorship of Sir Gordon Guggisberg, and the Gold Coast was well on the way to the reforms of 1946 which gave it the distinction of being the first West African territory to have an unofficial African majority in its Legislative Council.

THE COCOA INDUSTRY AND THE COUSSEY COMMITTEE

The period between the formation of the Aborigines' Rights Protection Society and the second World War saw relative prosperity in the Gold Coast. Gold, diamonds, manganese, and bauxite were mined under European direction and subject to Government control, but the production of cocoa, the chief source of Gold Coast wealth, was due entirely to African enterprise. It is produced by independent farmers, albeit with the aid of British officials to advise on scientific methods and to foster co-operative societies and good marketing. The cocoa industry has always been at the mercy of fluctuations in the world market, and has suffered two serious crises. The first was in 1937–8, when the farmers successfully resisted a monopolistic buying agreement among their European customers by refusing to sell their cocoa. The second, which is not yet resolved, developed when extremist politicians represented the Government's cutting-out policy for the control of swollen shoot disease as a disguised attack on Gold Coast economy. Thus unscrupulous politicians allied themselves with the natural conservatism of farmers, and also with a malignant virus, to bring the Gold Coast cocoa industry within sight of annihilation.

In the disturbances which took place in Accra in the spring of 1948, the cocoa cutting-out policy was one among the discontents voiced by Africans instructed in the conception of political freedom through the education which they had received at British hands, and provoked to impatience by the unpromising conditions of the

war's aftermath. The Watson Report,[1] which inquired into cause of these disturbances, strongly recommended constitutic reform, and outlined certain proposals. It was these that Coussey Committee were asked to consider, along with the vi expressed on them by His Majesty's Government, 'and to consi the extent to which they can be accepted and the measures which they should be implemented'.

The Committee interpreted their terms of reference freely. the absence of contrary instructions, they assumed that they sho include the Trusteeship Territory of Togoland in their recc mendations. And their work was carried out with some expediti since it began in January 1949 and was concluded by the follow August. A great number of people were interviewed in the cou of an extensive 'trekking programme' and some sixty messages memoranda were received from societies or individuals.

The main body of the Report[2] is concerned with Local Gove ment, Regional Administrations, the Legislature, and the Exe tive, but in a preliminary General Survey the Committee produ evidence to support its contention that the history of Ang African relations in the Gold Coast has reflected the relati between a stronger and a weaker Power, both accustomed democratic methods, and that while the benefits of the Brit connection are recognized, the ultimate independence of the G Coast people has long been the accepted goal. In explaining w some more fundamental change than the 1946 Constitution is quired, the Report draws attention to the large number of servicemen who 'returned with a knowledge of other natio possessing no higher standards of cultural, social, and intellect development, who nevertheless are now ordering their o affairs'. Having fought for freedom, these men desired a share their own government. 'These ideas quickly spread througho the whole country.' Despite the unofficial African majority on t Legislative Council, the Gold Coast Africans found themsel without responsibility and powerless to influence policy, and t at a time of post-war economic stress.

But, says the Committee, 'In embarking on a new order political life, we have chosen the British model and have soug to blend it with our traditional institutions'. That this is not or possible but natural, is the opinion of a contemporary Briti

[1] Colonial No. 231, September 1948.
[2] Colonial No. 248 of 1949.

commentator, quoted by the Committee: 'For the purposes and methods of the indigenous and the imported institutions are the same: both embody the representative principle, and both are government by discussion.'[1]

In its proposals for local government the Committee does not agree with the Watson Commission that the functions of the Chiefs are obsolete and that the Chiefs themselves are no more than a picturesque survival. On the contrary: 'The whole institution of Chieftancy,' says the Coussey Report, 'is so closely bound up with the life of our communities that its disappearance would spell disaster.' While, therefore, they recommend the establishment of a local government system based on that of Great Britain, the Committee propose that the traditional councils of the Chiefs should continue to deal with traditional matters, while the new local authorities are responsible for the ordinary public services and for raising the money to pay for them. In order to link up the old and the new authority, it is proposed that not less than one-third of the members of a new local authority should consist of members appointed by the local Chiefs' council. Of the other members it is proposed that some should be elected by a subordinate local authority (for example, District Councils would have representatives from Urban and Rural Councils), some elected directly, and in certain areas some should be appointed by local mining or other commercial companies. The local government franchise would be given to all adults who have lived in the locality for six months and paid their taxes. It is proposed that council members should have an income of at least £100 per annum and should be literate.

These few details give only an inadequate picture of the very thorough-going and meticulous proposals set out in the section of the Report devoted to local government, but they illustrate the compromise between the old and the new which is of special interest and importance, and the readiness to include the European as well as the African in the new Councils. They also point to the problem of building up the machinery of modern local government on a basis of a population nine-tenths of whom are illiterate, a problem which, besides presenting obvious practical difficulties, also entails the risk of the illiterate many being exploited by the literate few.

After a great deal of deliberation, the Committee also decided in favour of setting up Regional Administrations under elected

[1] Martin Wight, *The Gold Coast Legislative Council* (Faber & Faber, 1947).

Regional Councils, which would act on behalf of the Ce Government, exercising delegated powers. This would, they prevent too much centralization, while permitting 'a greater n ber of persons to participate and to receive training in the adn stration of the country'. The proposed four regional division the Colony, Ashanti, the Northern Territories, and Transvol Southern Togoland. The question naturally arose as to whe the existing Territorial Councils (i.e. Chiefs' Councils), sho with the addition of elected members, become the new Regi authority in the three main divisions of the Gold Coast. The of building on old institutions had much to commend it, bu the other hand it seemed doubtful whether the modern ele principle could be grafted on to the old institutions, and there the objection, so often advanced nowadays by the opponen indirect rule, that the chiefs would prove too conservative. It therefore proposed that the exercise of a dual function, old new, should be required only of the Northern Territories Cou and that elsewhere there should be new Regional Councils c posed of chiefs and elected members.

THE QUESTION OF CENTRAL GOVERNMENT

It is the proposals for the Central Government of the (Coast which have received the most attention in the world at l and which have provoked criticism and hostile demonstra among one section of the African population.

As has already been stated, the 1946 reforms, which were chi notable in making the Gold Coast the first West African de dency to have an unofficial African majority on the legislat were found to be inadequate. Planned in 1943, they did n indeed could not—take into account the various effects of the Returning ex-servicemen and educated Africans pointed bot the contribution made by Africans in the fight for freedom an the newly acquired independence of India, Ceylon, and Bur Their spokesmen declared that African legislators were not re legislators at all, since they had no real responsibility in the Wes parliamentary sense of the word.

The Coussey Committee, although of one mind about a rad change in the legislature, were almost equally divided as to whe a bicameral or unicameral system would be desirable. They th fore offered alternative proposals, and His Majesty's Governm accepted the single-chamber plan.

The proposed House of Assembly would contain not more than three members drawn from officials, and two further members representing the Chamber of Mines and the Chamber of Commerce respectively. One-third of the seats would be reserved for representatives of the Chiefs, and the remainder would be filled by direct popular vote in the municipalities and by indirect vote throughout the rest of the country. On the last point the Report says: 'There is a popular cry throughout the country for universal adult suffrage. Our recommendation is for universal adult suffrage but by indirect election. . . This process of election should minimize the dangers inherent in the wide and rapid extension of the franchise before the development of that full political sense which is the true bulwark against the charlatan and the demagogue.'

We now come to the most radical change proposed by the Coussey Committee.

It is the opinion of the Committee that the present Executive Council should be replaced by a new one, consisting of eight African Ministers chosen from the legislature, and of not more than three official members[1] (i.e. the Chief Secretary, Financial Secretary, and Legal Secretary), with the Governor as Chairman; and it is urged that, in contrast to the present arrangement 'which places upon the Governor the responsibility of government', the new Executive Council should be 'the chief instrument of policy with responsibility to the proposed House of Assembly'. It is however proposed that the Governor shall have reserve powers and the right to use them on his own responsibility in cases of urgency. That this is something of an anomaly under a Constitution which makes the Executive Council responsible to an elected House of Assembly, the Report admits, but the authors declare themselves 'guided by despatches from the Secretary of State in connection with recent constitutional changes in Jamaica and in Trinidad and Tobago'.

Despite this concession, His Majesty's Government has not been able to agree that the Executive Council should be collectively responsible to the legislature and not to the Governor. In the words of the Despatch[2] which was published on the same day as the Report: 'So long as it is necessary for the Governor to have reserve powers he must retain ultimate responsibility.' The Despatch goes

[1] Eight members of the committee, including Dr J. B. Danquah, leader of the United Gold Coast Convention (the chief nationalist organization) dissented from the majority on the inclusion of official members.

[2] Colonial No. 250.

on to state that the African Ministers would be 'answerable to' 'in effect' responsible to the Assembly. 'The power to g financial supply and to legislate would lie with the Assembly, members of the Executive Council would be required to ans in the Assembly for the departments of Government for wl they were responsible.' It is pointed out that, according to Committee's proposals, the African Ministers would be appoir on a resolution of the Assembly and could be removed from o in the same way. It is concluded that Ministers would be resp sible to the Assembly for the performance of their ministe duties, but also to the Governor in virtue of his ultimate autho and that these two obligations are not inconsistent but com mentary.

This is the only major objection raised by H.M. Governmen a Report which is otherwise accepted as 'providing a work plan'. Attention has naturally focused on it, sometimes so clo that the acceptance of many sweeping changes has been o looked. For example, the *New York Herald Tribune* made following comment on the publication of the Report and Despatch: 'Great Britain turned down demands for full s government for four and a half million people of West Afri Gold Coast to-day. Arthur Creech Jones, Secretary of State the Colonies, agreed however to give somewhat more freedom the Colony.' It is interesting to compare this view with that pressed by the *Gold Coast Express*, a paper that has alw advocated self-government: 'Even the most fastidious will ad that the Coussey Committee recommendations have given u mighty jump in our political history.'

THE EXTREMIST BID FOR DOMINION STATUS

Moderate opinion in the Gold Coast was for accepting Report with the British Government's amendment. On 12 Dece ber 1949 the Legislative Council, having endorsed the main reco mendations of the Coussey Committee, unanimously decided to ahead with a programme designed to put them into effect in shortest possible time. This included the appointment of a Sel Committee to make detailed electoral arrangements. They rejec the plea of Dr Nkrumah and his Convention People's Party immediate Dominion status. Dr Nkrumah then threatened general strike and civil disobedience, designed to bring the ministration of the country to a standstill. The dismissal o

number of Africans who were employed in the meteorological department, and who had been involved in an earlier dispute, was made the pretext for these forms of 'positive' action, despite repeated Government warnings that political strikes of this kind were illegal. But neither strike nor civil disobedience was fully effective, and the Gold Coast Government succeeded in bringing both to an end by proclaiming a state of emergency and instituting a curfew in certain areas. Despite widespread intimidation, the strike was not supported by many of the unions constituting the Gold Coast T.U.C., whose funds in any case were inadequate to sustain their members for even a short period. There was one serious brush between the police and a crowd when two policemen were killed. Dr Nkrumah was arrested with seven of his associates. His paper, the *Accra Evening News*, was banned, and at the time of writing he is on trial. Most African leaders strongly supported the Government in taking these measures.

The stage therefore seems set for the implementation of the Coussey Report. Political conditions at present promise success, although the economic situation, with a threat still hanging over the cocoa industry, is less auspicious.

K. G.

The Royal Question in Belgium

The King's Case

THE *question royale* is the gravest which has faced the Belgian monarchy since it was established in 1831, and it causes acute controversy in every home in the country. Both Houses of Parliament have now passed the Bill authorizing a Referendum on the subject. Voting is compulsory, and is to take place on 12 March. The quarrel has now reached such dimensions and become so complex, dragging much extraneous matter in its train, that some of the main points tend to be overlooked; while the same facts are used and distorted to prove both heroism and guilt. Although a settlement is desired by all, except perhaps by the Communists, everybody wants the question to be answered in his own

way, and no spirit of compromise is apparent. When M. S
tried to find a solution which would be satisfactory to all pa
he received little support, and least of all from his own part

In the summer of 1945, both support and opposition to the often cut across party lines, and a referendum at that time i have shown a large majority in his favour; but the questio now become a matter of party politics, and it is therefore exp that the voting will, roughly speaking, follow that of the Ge Election in June 1949.[1]

Although M. Camille Huysmans tried to form a National (mittee in London in the summer of 1940, on the same lines a of General de Gaulle, and to get rid of the monarchy, his reput ideas received no sympathy, and all through the war the Be Government continued to accept King Leopold, as can be both from public speeches[2] and from the letters which the Min wrote to the King.[3] After the liberation, when Prince Charle elected as Regent in September 1944, until the end of the w Europe, when the King was freed, the question remain(abeyance.

Worried by the accounts of hostility in the country, as pres(by the Prime Minister, M. van Acker, and barely recovered the effects of his imprisonment and the suddenness of his li tion, the King temporized. He wrote a letter to his brother, (12 May 1945, asking him to act as Regent until he, King Leo had recovered in health.

Meanwhile, when he heard that the King had been freed Spaak had flown back from the San Francisco Conference. It be regretted that King Leopold could not have met MM. S and Pierlot before seeing any other Belgians; for these three behaved with dignity and with respect for each other's opin all through their disagreements, and conciliation might have arranged. In this event the King could have returned at once, the question of his abdication would have been threshed ou Belgian soil. Unfortunately, however, M. Spaak was in Francisco, while M. Pierlot was no longer Prime Minister.

In the two months which followed there were continual mee

[1] See *The World Today*, August 1949.
[2] e g., M. Pierlot's speech at Chatham House on 14 February 1941—pa quoted in Servais Report, p. 128 and Annexe 166.
[3] *Rapport de la Commission d'Information Instituée par S. M. le Roi L III le 14 juillet 1946* (1947—known as *Servais Report*), Annexes 97, 100 121, 170, 172.

between the King and the various political leaders of all parties, but agreement, which often seemed near, disappeared entirely after an acrimonious debate in Parliament—the rump of the old pre-war Parliament—in the middle of July 1945. After this it was clear that the Liberal and Socialist Ministers had adopted a position from which they could not retreat. During this session M. van Acker read a letter from King Leopold to Prince Charles, asking him to go on acting as Regent for the time being. A Bill prolonging the Regency until the 'reunited Chambers' should decide otherwise was then passed by both Houses, and after its passage the Catholic Ministers resigned.

The elections of February 1946 showed that the Catholics, who wanted the King to return, were much the largest party in the country, but they had not a clear majority over the other three parties; and it was not until the elections of last summer that they gained more seats in the two Houses than the other three parties combined. It was now decided to try and end an intolerable situation by forcing a referendum upon the country, as had previously been demanded by the King, to be a gauge of public opinion and as a guide to the next steps to be taken. But the referendum cannot decide the matter. This can only be done by Parliament. Meanwhile the King has announced that he will abdicate in favour of his son, Prince Baudouin, if he receives less than 55 per cent of the votes. The Socialists, on the other hand, have said that he should abdicate unless 66 per cent of the votes in each province are cast in his favour.

In this vexed question, it might be as well to try and pick out the real reasons which have prevented the return of King Leopold, and not to confuse these with various accusations which have been made subsequently. To take them in order of importance, the main causes seem to be, the King's second marriage, his *entourage*, both military and civil, and the republican tendencies of the Socialist Party, added to the dissensions within this party. If it had not been for these three things, none of the other accusations, some serious but many absurd, which are brought forward would have sufficed to prevent the King's return.

Turning to the secondary considerations, the most important seem to be those concerned with the King's part in the neutrality policy and in the capitulation of the Belgian Army, his decision to remain in Belgium against the advice of his Ministers, and his behaviour during the occupation.

As the King's supporters have answers to each of these acc tions, and as a considerable proportion of the people in Belg are thought to be on his side, their views cannot be brushed a without consideration.

After Cardinal van Roey's pastoral letter of 31 May 1940, plaining the reasons for the capitulation, the King's remainin Belgium was approved by the great majority of those left in country. After the succeeding shocks of the invasion, Paul F naud's broadcast and the surrender of the Belgian Army, the fl to France of nearly one-fifth of the population, the tribulation the refugees in that country, and their return, humiliated, after fall of France—which was probably the greatest shock of all— Belgians felt that they were outcasts, and unfairly banished fi the Western world. The King's presence in their midst, and feeling that he, like themselves, was a martyr, calmed fra nerves and soothed their misery. One can meet today Belgi who recall how it helped them to think clearly once more, to p up again the threads of ordinary life, and to decide how they co best cope with the difficulties of the occupation.

The news of King Leopold's marriage, which was made know the end of 1941, came as a shock to the whole country. The Kir supporters admit that something which had been an anchor their faith had disappeared. For his enemies, however, the marri was a godsend, as otherwise they could not have won over appreciable number of their countrymen whose loyalty s remained.

King Leopold's second wife is a Fleming and, in a coun with two groups ever conscious of their nationality, where ev Cabinet must be nicely balanced with an equal number of Wallo and Flemish Ministers, where party politicians have used grievances caused by this division to further their ends, the Kin marriage to a Fleming is in itself enough to provide his oppone with ammunition.

The question of the King's *entourage*, the old story of the ro favourites, worries many fair-minded people who do not wish jeopardise the future of constitutional government. Did the me bers of the King's *entourage* go behind the backs of the Ministe and how great was their power? These are important questions

To begin with, there was the King's *aide de camp*, General v Overstraeten, who was the most influential among them, and, that reason, the most disliked by the Ministers. Nor was he popu

among his brother officers, who regarded him as too ambitious. It is claimed that he had gradually usurped certain functions which belonged to the Minister of Defence. It was said that the King, as Commander-in-Chief of the Army, preferred the advice of his *aide de camp* to that of the Defence Minister, General Denis.

General van Overstraeten's own memoirs, published last year, throw a good deal of light upon the subject.[1] He admits that he was mainly responsible for the resignation of the Chief of Staff, General van den Bergen, because of the opening of the barriers on the Franco-Belgian frontier, after the alert of 10 January 1940. After this the position of General van Overstraeten seemed to be stronger than before.

There was constant friction between the Ministers on the one hand, and the King and his *aide de camp* on the other, but this must be put down partly to the personality of the General, partly to the background of the war, and mainly to the fact that the King, as Commander-in-Chief, considered that he could, under the terms of the Constitution, go his own way on all purely military matters without reference to his Ministers. As this is a question upon which Belgian jurists disagree, it must be left there.

Great friction also existed between the King's secretaries and M. Pierlot, who felt that the Ministers should be the King's chief advisers, and that his own authority as Prime Minister was being undermined by the King's private 'cabinet'. To understand this disagreement, one must remember the discord which existed in the pre-war Governments. After M. Spaak resigned in February 1939, M. Pierlot formed a Government which resigned after a week in office. After various attempts at Cabinet-making had failed, the King signed the dissolution of Parliament in March, and it was not until after the elections of April that M. Pierlot was able to form a Ministry. After the war broke out additions were made to the Cabinet, and later more resignations took place, followed by a reshuffle in January 1940. Even as late as 26 April, only two weeks before the invasion, M. Pierlot expressed his wish to resign. His difficulties can be understood by a glance at the Belgian newspapers of that time. In spite of the war, even after the invasion of Norway and Denmark, the politicians were fighting over Catholic and lay education, over finance and the British blockade, and why more army commissions had not been given to

[1] Général van Overstraeten, *Albert I, Léopold III* (Bruges, Desclée de Brouwer, 1949), pp 461-487.

Flemings. Meanwhile the German forces were piling up on other side of the frontier.

While the Ministers disagreed and resigned, the King's se taries remained hard-working, loyal, and industrious. It is easy to see why he came to lean on them more and more. This no healthy situation for a constitutional monarchy, but the K can hardly be held solely responsible for it. It was the result of war, and also of the unrest in Belgium, due mainly to the mobi tion which had continued in some form since the time of Mun and which caused perpetual irritation throughout the country. was the background to the growing power of the King's secreta So long as M. Spaak, a personal friend of the King, was Pr Minister, the trouble did not develop, but after his resignat and because of the long ministerial crisis of the spring of 193 came to a head very quickly.

The underlying republicanism of the Belgian Socialist Pa dormant during the reign of King Albert, appears to have c to the surface again—though this may be denied by most meml of the party, who do not share these views. But it is the sr republican left wing which decides party policy, and has alw made difficulties for Socialist Ministers in the various coali Governments. This has been behind nearly every ministe crisis since 1936.

Disagreement within the Socialist Party has also always b noticeable on foreign policy, and in the pre-war years one of Spaak's greatest difficulties with his party was over recogni of the Burgos Government, which was finally one of the cause his resignation in February 1939. Personal rivalry was strong, five months of discussion took place before Henri de Man elected as President of the party in May 1939, after the deat Emile Vandervelde.[1] But whatever the internal disagreements other subjects, Socialist discipline has insisted upon a united fr on the *question royale*, never allowing the slightest latitude to van Acker or M. Spaak in their attempts to heal the breach. T Socialist ex-Ministers, M. Balthazar and Professor Blancqua have been dismissed from the party. Both were supporters of King. The Belgian Socialists are fast becoming a bourgeois pa and are in no easy position. They fear the Communists, with t irresponsible appeals to the workers, on the one side, and

[1] Henri de Man, *Après Coup* (*Mémoires*) (Brussels, Editions de la Toison d 1941.)

Christian trade unions on the other. Meanwhile, the *question royale* is used as a kind of cement to bind the party together.

So much for the main factors operating against King Leopold's return. Among the secondary considerations is the argument that the King was responsible for Belgium's return to neutrality in 1936. After the remilitarization of the Rhineland, which was announced on 7 March 1936, it was clear that Belgium would have to improve her defences. More men and more money were needed, but Parliament would not consent to further sacrifice unless it could be assured that these resources would henceforth only be used for the protection of Belgian territory. The country was frightened at the idea of being tied to a politically divided France and a militarily unprepared Britain, in the face of a rapidly re-arming Germany.

The mass of the country was behind the King when, addressing his Ministers on 14 October 1936, he described the new Belgian policy of independent neutrality (as opposed to the pre-1914 policy of enforced neutrality). This speech was of such importance that, contrary to usual custom, it was published, on the suggestion of Vandervelde, the old Socialist leader, who had been travelling towards this policy since 1920. M. Spaak, in his speech to the Senate on 16 April 1940, referred to 'Alliance with the Great Powers or independence? . . . Voluntary neutrality was the ransom paid for the military effort required by the nation. . . Never before had Belgium given such general assent to her foreign policy'. Neutrality was therefore a national responsibility and not solely that of the King.

As regards the capitulation of the Belgian Army and the King's part in it, there is much evidence to be found in Admiral Keyes' papers which is worth consideration. His letters have been published in the Belgian press, from which can be taken the following telegram, sent on 25 May 1940. 'For the last fifteen days the Ministers have insisted that the King spould fly with them to France. Last night[1] the four Ministers, who had remained close to the King by his request, made a last effort to induce him to leave Belgium as soon as possible. If he were to do this, he would desert his army at the moment when it is fighting in a desperate effort to cover the left flank of the British expeditionary force. If deprived of its royal Commander, the Belgian Army would in-

[1] Keyes was wrong regarding the date. It was actually 3 a.m. on the 25th when the Ministers had their last interview with the King at Wynendaele.

evitably hasten its capitulation and place our army in great dang
I hope that His Majesty's Government will not gain a false i
pression from the arguments of the Belgian Ministers'.[1]

In the opinion of Admiral Keyes, the presence of King Leop in London was hardly worth the possible loss of the whole Briti expeditionary force. This was on 25 May. In the event, Lo Gort started his march to the coast on the 26th, while the Belgia continued to hold the long 90-kilometre line of the Lys. T British passed behind the Belgian line, and then the dykes we opened. The British were now partially protected from the Ge man tanks, and this is one of the reasons why the evacuation fro Dunkirk was possible.

It is now well known in France, as well as in Belgium, th Paul Reynaud's broadcast of 28 May 1940 was bluff; and it is al known that Admiral Keyes' defence of the King was suppress so that France might continue to fight.

The King decided to stay in Belgium against the advice of h Ministers. He allowed his duties as Commander-in-Chief come before his duties as Head of the State. Here again, Belgi jurists disagree about this difficult problem, which the provisio of the Constitution do not help to elucidate. To the countr however, his presence gave material benefits. Belgium was n ruled by a *Reichskommissar*, as happened in Holland. A milita Governor, General von Falkenhausen, was appointed, but tl administration remained in the hands of the Belgian Secretarie General. If the Belgians had not chosen to resist so fiercely, th might have had a 'moderately easy occupation'. In the even Belgium was still ruled through her own institutions and thus sl was able to hamper and delay the Germans at every turn. Kir George's letter (in reply to King Leopold's letter of 25 Ma 1940) has recently been published.[2] He feared that if King Le pold were to sacrifice himself it might be in vain. In fact, howeve the King's constant protests to General von Falkenhausen di sometimes have results, and many prisoners were freed upon th King's request.

So much for the past; but most Belgians are concerned with th present and the future, and particularly with labour problems. Th figure of over 300,000 unemployed will act as a deterrent if

[1] Quoted by de Vleeschauwer—see Supplement to *Monitor Belge*, Belgi Parliamentary Proceedings of 24 July 1945.

[2] *Le Soir*, 23 December 1949.

general strike is suggested in connection with the Referendum, while the Christian trade unions will take no part in any strike for purely political purposes. They count more members than does the *Fédération générale du Travail Belge* (F.G.T.B.), composed of Socialists and Communists, who are against the King's return. Meanwhile, the Socialists accuse the Communists of lukewarmness because they are alleged to have received orders from Moscow to the effect that it would be advantageous to Communism for the King to return, as this would produce chaos in Belgium. Although the Communists deny this allegation, the *Drapeau Rouge*, which was full of articles against Leopold till the end of 1949, has certainly given considerably less space to the subject in 1950.

According to M. Spaak, the question of the King's return in no way reflects on the King's honour. The problem is now entirely political, and the decision rests with the Belgian people alone.

M. T.

Trial of Strength in Indo-China

The Bao Dai Experiment

THE replacement of Admiral d'Argenlieu in March 1947 by a civilian, M. Emile Bollaert, as French High Commissioner in Indo-China[1] marked the beginning of a period during which the French Government, having decided to abandon any hope of reaching agreement with Ho Chi Minh and the Viet Minh, sought, in a rather half-hearted manner, for an alternative which would gain the support of the people of the country. With this end in view they began to make approaches to the ex-Emperor of Annam, Bao Dai, who, after having for some months in 1945 presided over the Japanese-created State of Vietnam, had abdicated in August 1945. He had then for a time held the office, no doubt more honorific than influential, of Counsellor to the Government of the new Republic of Vietnam.

[1] See 'The Nationalist Movement in Indo-China', in *The World Today*, June 1947, p. 277.

While making tentative approaches to Bao Dai, whose reacti was distinctly cautious, the French also tried to build up the po tion of Nguyen Van Xuan, a French-educated General who w said by the Viet Minh to have only a nodding acquaintance wi his native tongue. On 19 May 1948 an Assembly of persons fro the French-controlled towns elected General Xuan as Prin Minister of a Provisional Central Government of Vietnam, and 5 June M. Bollaert, Bao Dai, and Xuan signed, in a French cruis in the Bay of Along, an agreement recognizing the independen of Vietnam within the French Union. On 4 September 1948, how ever, Xuan, in announcing the formation of Assemblies 'notables', remarked that he did not expect the Nationalists participate 'because they doubtless are waiting for the Frenc Parliament to take a clearer and more encouraging stand', and B Dai himself stated on 7 September that he could not return Vietnam until definitive treaties had been concluded.

THE IMPACT OF CHINESE COMMUNISM

Such was the situation at the end of 1948. By this time, howeve the entire Indo-Chinese scene had been profoundly alter as the prospect of having a Communist China as a neighbo became increasingly real. The impact of this prospect was heigh ened by the reports in March of attacks by 'Chinese Communist on Moncay and other French outposts; though these were lat said to be merely ebullitions of the banditry which is endemic this area even at the best of times. When in fact the Chinese Com munists did take over the frontier posts on the Chinese side December, they seem[1] to have displayed a scrupulous regard fo Indo-Chinese sovereignty, but their statements[2] made it clear th this attitude would not necessarily be maintained indefinitel Nevertheless, the approach of Mao Tse-tung's troops had sever results.

In the first place the French became much more willing to mak concessions to Bao Dai. The 'Xuan experiment' was clearly failin because General Xuan was so evidently a puppet, and the Frenc

[1] See *Manchester Guardian*, 10 December 1949.

[2] See, for instance, a New China News Agency message of 14 December 194 alleging French use of Pai Chung-hsi's forces, the *People's Daily* of Peking (1 December) which contained a commentary entitled "The French Indo-Chin Reactionary Government will Reap what it has Sown" (NCNA, 18 Decembe 1949), and Chou En-lai's statement of 20 December which speaks of the 'flagran transgression' and 'intolerable hostile action' of French aeroplanes (NCNA, 2 December 1949).

overnment was faced with the alternative of making real con-
essions to Bao Dai or of abandoning everything to Ho Chi Minh
nd the Viet Minh, a prospect which few in France, except the
ommunists and perhaps the Socialists, were willing to entertain.
n the other hand, the possibility of collaboration between Ho and
he Chinese seemed to open up a real chance of splitting the ranks
f Ho's supporters, many of whom were not Communists; for the
ietnamese, not without reason, fear and dislike the Chinese. If
could be convincingly suggested that Ho was more Communist
han Nationalist, many Nationalists might swing over to Bao Dai.
'hat Ho recognized the danger of such a move is suggested by the
igour with which he and his supporters denied reports,[1] for
nstance a Reuter report of 1 February,[2] that he had a secret agree-
ent with Mao. A third result of Mao's success was that the French
ecame much less determined to treat the future of Indo-China as
matter of purely French concern. They began, indeed, to make
ublic expressions of their belief that the defence of the frontier
f Indo-China was an international interest, the most weighty of
hese being contained in the formal letter of 27 July from the
rench President, M. Vincent Auriol, to Bao Dai.[3]

LAOS AND CAMBODIA

The French willingness to make concessions extended not only
o Bao Dai but also to Laos and Cambodia, the two non-Annamite
erritories which form the western half of Indo-China, and it may
e as well to glance at these before dealing with the vastly more
mportant Annamite territories. A treaty between France and Laos
was signed in Paris on 19 July by President Auriol and King
Sisavang Vong, under which 'La France reconnaît l'indépendence
du Laos, qui proclame solennellement, de son côté, son adhésion
à l'Union Française'.[4] Laos was to have diplomatic representation
in Bangkok, while France was to sponsor her for membership of
the United Nations, to defend her frontiers in collaboration with
the Laotian national army, and to supply her with technicians and
experts. French citizens and others within the jurisdiction of the
French Union, which of course will include the Cambodians and
Vietnamese, were to have the same facilities and opportunities as
Laotian nationals, and French capital was to be allowed to invest

[1] See *North China Daily News*, 12 February, and *The Times*, 22 February 1949.
[2] Quoted by *North China Daily News*, 3 February 1949.
[3] Text in *Le Populaire*, 9 August 1949.
[4] *L'Aube*, 19 July 1949.

freely in Laos. This treaty seems to have satisfied Laotian aspi tions, and the Free Laos movement, which had carried on a rath ineffectual opposition from a headquarters in Bangkok, announc on 25 October that it was disbanding.[1]

The Cambodians, like the Laotians, have more reason to fe the Annamites and the Siamese than the French. It is doubtf if they would long retain their independence, or even their identi without French support. Their territory has for generations su fered encroachments from both Siamese and Annamites, and t instability of their politics—two Governments were overthrov during 1949 by the National Assembly, which was itself di solved in September—and the lack of vigour in their public li suggest that they would put up little real resistance to a renewal such pressure. A Franco-Cambodian Treaty was signed on November by President Auriol and Prince Sisowath Monipong, c behalf of King Norodom Sihanouk, and it seems likely that th will prove just as satisfying as the similar treaty with Laos, f even before its signature there were reports[2] that the Free Khm movement, or sections of it, had declared their support of t Cambodian authorities.

UNION OF COCHIN-CHINA AND VIETNAM

Satisfying the Annamites, or Vietnamese, however, proved muc less easy. As 1948 drew to its close General Xuan seems to hav found it increasingly difficult to secure the collaboration of Vie namese politicans, and on 5 January he left for France for co versations with M. Paul Coste-Floret, the French Minister fo Overseas Territories, and Bao Dai. Discussions followed betwee Bao Dai, M. Léon Pignon (who had been appointed French Hig Commissioner in Indo-China in succession to M. Bollaert o 20 October 1948), Xuan, and M. Coste-Floret. But Bao Da snugly ensconced in his villa at Cannes, proved unwilling to mov for anything less than a series of French concessions which woul give him a chance of offering the Vietnamese at least as much a Ho Chi Minh. These demands embodied, besides internal auto nomy, the inclusion of Cochin-China, a French colony, togethe with Annam and Tonkin, in Vietnam; some measure of diplomati independence; and a Vietnam Army. The only overt support tha Xuan could secure before he returned to Saigon was a cautiou

[1] *Le Monde*, 27 October 1949.
[2] *Le Figaro*, 2 October 1949.

message[1] for the Vietnamese New Year on 29 January, sent from the neutral territory of Monaco!

Meanwhile, however, the sweeping nature of Mao's success in China was becoming ever more apparent, and the French had brought themselves to reverse their policy of keeping Cochin-China separate from Annam and Tonkin, and also to make other concessions. On 21 February Bao Dai arrived in Paris for further negotiations, and on 8 March an exchange of letters took place between President Auriol and Bao Dai defining the proposed relationship of France and Vietnam in the French Union. The articles of this agreement, as published in Paris and Saigon on 21 June,[2] covered the following points.

(i) France was to allow Cochin China to enter Vietnam if it wished, and was to give up the special statutes of Hanoi, Haiphong, and Tourane.

(ii) The foreign policy of Vietnam was to be 'co-ordinated' under the direction of the 'haut conseil de l'Union', where the Government of Vietnam would be represented by delegates. Foreign missions in Vietnam were to be accredited jointly to the Emperor and the President of the French Union. Vietnam could, to begin with, have missions to the Holy See, Siam, and China or India, the letters of credence being signed by the President and initialled by the Emperor[3]. France would sponsor Vietnam for membership of the United Nations.

(iii) Vietnam was to have its own army, with French instructors at its disposal. Separate conventions were to be negotiated for the stationing of troops of the French Union, and for French bases, in Vietnam.

(iv) Full internal sovereignty was to be accorded to Vietnam, but subjects of the French Union were to be given priority in the appointment of non-Vietnamese advisers and experts.

(v) Vietnam was to have full civil, commercial, and penal jurisdiction, but certain extraterritorial rights would be granted to subjects of the French Union.

(vi) France was to have certain cultural privileges, and French, the diplomatic language, would be taught wherever possible in schools.

(vii) Mutual commercial privileges would be granted to Vietnamese and French Union subjects. Vietnam was to form a monetary union with Laos and Cambodia, the piastre being the sole currency. This union would be part of the franc area, though the piastre was not necessarily to have a fixed relation to the franc. Vietnam was to form part of a customs union with Laos and Cambodia. Vietnam was to have complete control of its finances.

[1] See *Viet Nam Information Bulletin*, February 1949.
[2] *Le Monde*, 21 June 1949.
[3] It since appears to have been tacitly agreed tha Vietnam should have missions to any country extending recognition. Nguyen Phan Long stated on 7 January 1950 that ambassadors would be sent to the U.S. and U.K. on recognition. (*New York Times*, 8 January 1950).

This agreement, though conceding distinctly less than th British form of 'Dominion Status', nevertheless gave Bao Dai fa more than the French had ever been willing to concede to Ho Cl Minh, and immediate steps were taken to implement the mo important of the concessions, that relating to the union of Cochin China with Vietnam. On 12 March the French National Assembl by 348 votes to 202 gave a second reading to a Bill to set up representative territorial assembly for Cochin-China which shoul decide whether the colony should join Vietnam or not. The Bi became law on 14 March, and steps were immediately taken t elect sixteen French citizens and forty-eight Vietnamese to th assembly. Owing to the haste with which the elections were ar ranged, to general apathy, and to the Viet Minh's threats again voters, less than 1,200 French and Vietnamese actually voted. Bu the Assembly so elected met on 10 April, and on 23 April, by 5 votes to 6, approved of union with Vietnam so long as this unio remained within the framework of the French Union.

Needless to say, so great a change in policy did not pass withou opposition. Besides purely French objections, the Cambodian complained because their large minority in Cochin-China—ther are said to be Cambodian majorities in the provinces of Rach-Gia Soctrang, and Travinh, in the south-west part of the Mekon delta—was being abandoned unprotected to the Vietnamese. However, on 22 May the French National Assembly by 351 vote to 209 passed the Bill to make Cochin-China an autonomou territory, and, after some slight difficulty with the Conseil de l République, it became law on 4 June.

THE RETURN OF BAO DAI

On 24 April, the day after the Cochin-China Territoria Assembly voted to enter Vietnam, Bao Dai left France, where h had spent the previous three years, for Indo-China. He arrived a Dalat on 28 April, but made no move to set up the new regim until the bill to enable Cochin-China to join Vietnam had becom law. On 13 June he arrived in Saigon, which on 6 August was pro claimed his provisional capital, and on 14 June the new State o Vietnam was set up. Its institutions consisted at first of little mor than Bao Dai himself. Speaking in Saigon on 14 June he said: 'T have a legal international position, I must temporarily keep m

[1] See *Le Monde*, 13 May 1949, *Combat*, 13 May 1949, *L'Aube*, 17 May 1949

itle [of Emperor]. But I solemnly proclaim that the Constitution of the future Vietnam will be decided by the people who fought heroically for the independence of their country'.[1] It seemed, however, likely to be some time before he would be able to fulfil his promise by holding elections.

Bao Dai's main task was to attract to the support of the new State the bulk of those Nationalists who were not Communists. This was expected to be, and did in fact prove, a slow task, for many of those whose support was sought preferred to sit on the fence until the independence, stability, and prestige of the regime had been demonstrated. A Cabinet was announced on 1 July, with Bao Dai as Chief of State and Prime Minister and General Xuan as Vice-Premier and Minister of National Defence. Of the four other Ministers' three were Cochinchinese and one, Tran Van Ly, an Annamese Catholic, who resigned before the end of the month. Of the thirteen 'Secretaries of State' seven were Tonkinese, four Cochinchinese, and two Annamese.[2] Later, following the signing of the conventions of 30 December, Bao Dai decided to confine himself to the duties of Chief of State, and in consequence the Cabinet was dissolved on 5 January 1950. Nguyen Phan Long was appointed as the new Prime Minister but was not able to submit his Cabinet,[3] which had a heavy preponderance of Cochinchinese, to Bao Dai until 21 January, owing to difficulties in securing agreement.

The caution of the Vietnamese politicians was understandable as not only the French Parliament but even the French Government did not appear to be wholly united on the new policy. It has indeed sometimes seemed that the prospects of Bao Dai were viewed more hopefully outside France than by the French themselves, a recent example being a letter[4] to President Auriol signed by sixty-five deputies, including members of the M.R.P., professors, and others, which, after stating that Bao Dai had failed, went on to propose a truce with the Viet Minh and elections supervised by the United Nations. The Socialists, in particular, had hitherto always maintained, with the Communists, that Ho Chi Minh was the only real representative of Vietnam, and that negoti-

[1] *Daily Telegraph*, 15 June 1949.

[2] For details see *Le Populaire*, 4 July 1949, which described thirteen of the members of the Cabinet as 'nationalists'. *Le Figaro*, 4 July 1949, speaks of it as a Cabinet of nationalists and technicians. 'Six . . . peuvent être considérées comme des nationalistes ultra'.

[3] For details see *L'Aube*, 18 January 1950.

[4] *Le Populaire* and other French papers, 27 December 1949.

ation with him was the only way of resolving the problem. ; resolution passed at a party congress on 18 July they retre somewhat from this position, but even so called for a truce 'u international mediation and guaranteed by the presence of Un Nations observers' and for negotiations with 'all elements of Vietnam without excluding anyone'.[1]

Nevertheless it did seem during the last six months of 1949 Bao Dai was attracting some support, particularly in his capital of Hue. The 'Pope' of Tayninh, the leader of the Caoda a militant religious sect combining the tenets of a number of better-known religions, was reported[2] at the beginning of Au to have announced his loyalty to the Emperor. It also appe (despite the refusal of Ngo Dinh Diem, the leading Cath Nationalist, to take the post of Prime Minister, and the resigna of Tran Van Ly) that some at least of the Vietnamese Christi of whom there are about two million, might support the new regi There were also suggestions that other support might be fo coming if Bao Dai could show clearly that he was not a puppet example being a report of 27 September[3] that representative two 'resistance groups' had promised Bao Dai support when State had effective sovereignty. His supporters have been d their best to emphasize their independence of the French, so m so, indeed, that it has been suspected that having got what he from the French Bao Dai may try to come to terms with Ho Minh.

IMPLEMENTATION OF THE AGREEMENT

Whatever the accuracy of these reports, it was clear that the ' Dai experiment' could not hope to succeed unless France genuinely willing to implement, and quickly, the Agreement 8 March. The Franco-Vietnam Joint Commission started disc sions in Saigon on 31 August on the implementation of the Agı ment, and reached a successful conclusion in December with production of a series of conventions, transferring a wide rang powers to Vietnam, which were signed by Bao Dai and M. Pig on 30 December 1949.[4] Under them the Vietnam Governm gains full jurisdiction over its own nationals, though there will special mixed courts for cases involving French Union subje

[1] *New York Herald Tribune*, 19 July 1949.
[2] *Le Monde*, 2 August 1949.
[3] *The Hindu*, 29 September 1949.
[4] *Le Monde*, 30 December 1949.

public prosecutors will be Vietnamese except in Saigon and Haiphong, where French public prosecutors will be retained for the next two years, and all police and security services will be transferred to the control of the Vietnamese Government, though the French High Commissioner will for the moment retain a limited service for the security of the French forces. The Vietnam Government will also have jurisdiction over the French military bases and installations and will control education up to the university level, and a mixed university will be set up; and the machinery of administration, local, provincial, and regional, will be transferred to the Vietnam Government. At the same time it was agreed that a conference on the setting up of common services for Laos, Cambodia, and Vietnam on such matters as communications, immigration, customs, the Treasury, and capital development should be held at the end of January. There was a slight delay, owing to congestion of French Parliamentary time, in ratifying the Agreement itself and the treaties with Laos and Cambodia, but on 20 January the Assembly of the French Union voted in favour of ratification by 106 to 39, on 29 January the French Assembly itself voted for ratification by 401 to 193, and on 2 February the Council of the Republic followed suit by 294 votes to 20.

Less important to Bao Dai than a genuine transfer of power by the French, but nevertheless valuable if he is to have any hope of gaining popular support, is international recognition. Considerable doubt had been felt in foreign countries in the earlier part of the year about the prospects of the Bao Dai experiment, a good example being the memorandum by the Indian Consul-General in Saigon, written in the spring, which 'leaked' to the press at the beginning of November. On 21 June, however, the State Department officially welcomed the formation of Vietnam, and with the arrival in Indo-China of Mr Malcolm MacDonald, United Kingdom Commissioner-General in South-East Asia, on 14 November, on a visit to the French High Commissioner, it appeared that the United Kingdom might be considering the recognition of the new regime. Mr MacDonald carried with him a message to Bao Dai from the British Foreign Secretary expressing hopes that Bao Dai would succeed in establishing a stable Government, and on his return to Singapore he issued an encouraging statement.[1] India,

[1] See *Le Monde*, 19 November 1949, *The Times*, 25 November 1949. See also *The Times*, 12 January 1950, for similar views expressed by Mr MacDonald at the Colombo Conference.

however, whose support would no doubt be of the greatest val to Bao Dai, seemed less forthcoming. When the question Vietnamese representation at the Conference of the Econon Commission for Asia and the Far East at Singapore in Octob was raised, India expressed herself as being in favour of admitti representatives of both Ho Chi Minh and Bao Dai,[1] and even af the signature of the conventions transferring power Nehru w reported at the Colombo Conference to have maintained l belief that Bao Dai was too much under the tutelage of the Fren to have much chance of gaining popular support, while on 6 Fe ruary he was reported to have said that India intended to wat developments and to let the people of Indo-China decide.

THE REACTION OF VIET MINH

It goes without saying that the Viet Minh, which has alm undisputed control of large areas of Tonkin and Annam and even parts of Cochin-China, did not stand idly by while the Fren Government pursued these efforts to cut the ground from und its feet. Vo Nguyen Giap, the extremist Supreme Commander the Armed Forces[2] who is generally held to have been responsib for the suppression of other nationalist parties within the Vie nam Government in 1946 and also for the massacre in Hanoi December of that year which resulted in the outbreak of hostiliti was reported[3] to have called, in a broadcast on 1 Feb. 1949, fo general counter-offensive against the French, and there we similar calls later in the year. Reports on military activity in Ind China are both meagre and partial, but it is clear that guerri action continued steadily, with numerous bomb attacks and ar bushes of convoys. M. Coste-Floret estimated (31 March) that h had some 82,000 men under arms, and gave the size of the Fren

[1] See United Nations Document E/CN.11/SR 62, pp. 4–5. Only the repr sentative of Bao Dai was in fact admitted.

[2] Viet Nam Information Service (Paris) reported on 12 August 1947 th there had been a reshuffle of Ho's Cabinet on 19 July 1947, as a result of whi Vo Nguyen Giap had been succeeded as Minister of National Defence by Quang Buu, but was still Supreme Commander of the Armed Forces, t popular Militia, and the self-defence formations. He had earlier also been sa to be Vice-President, and later President, of the Supreme Council of Natio Defence. *L'Humanité* (26 August 1949) in a list of the members of the Supre Council of National Defence describes him as Generalissimo and Ta Quang B as Minister. The *Bulletin* of the Vietnam American Friendship Association In for November-December 1949, quoting a Vietnam News Service report fro Bangkok of 2 September 1949, describes him as Minister of National Defen and Ta Quang Buu as Vice-Minister. The *Bulletin* also gives his party label 'Marxist'.

[3] *North China Daily News*, 3 February 1949.

forces at that time as 110,000, a figure which rose by 8 December to 131,000. The metropolitan forces also had the support of from 40,000 'Vietnamese partisans' and Bao Dai's new army. On 14 May General Revers, Chief of the French Army General Staff, flew out to Indo-China and spent the following month inspecting French dispositions. Following his visit, the general French plan of campaign seems to have been to leave the defence of Cochin-China in the hands of Vietnamese forces and to concentrate the French forces in Tonkin, where they would aim at strengthening the quadrilateral formed by Hanoi, Haiphong, Moncay, and Langson as an effective barrier against any large-scale Chinese infiltration into the country. The reinforcement of the French forces was probably designed to give them a mobile force with which they could take the offensive against the Viet Minh, instead of just waiting passively to be attacked.

On the political plane, too, the Viet Minh did its best to counter the 'Bao Dai experiment'. From the beginning of the year they conducted a violent propaganda campaign against Bao Dai[1] and at the end of August were reported to have put a price on his head.[2] While attacking Bao Dai as a puppet and quisling, they simultaneously encouraged the belief that it was still possible for France and the Viet Minh to reach an agreement. In the middle of July, for instance, Ho is reported[3] to have said that agreement between France and the Viet Minh was always possible if 'la France est prête à reconnaître loyalement l'unité réelle du Vietnam et son indépendence réelle', and subsequent changes in the Viet Minh Government brought into a position apparently second only to Ho himself Pham Van Dong, who had led the Viet Minh Parliamentary mission to France in April 1946 and the delegation to the Fontainebleau Conference, and might therefore be thought to believe in the value of negotiation, as Vo Nguyen Giap, Ho's 'right arm', clearly did not. Pham Van Dong, who had been Minister of Finance, was reported[4] in August to have been appointed Vice-President to Ho and President of the Supreme Council of National Defence. The Viet Minh also made efforts to strengthen their claim to be the real representatives of the Vietnam people, and were said to have held elections in April 1949.

[1] See, for instance, *Manchester Guardian*, 25 March 1949.
[2] *Le Monde*, 30 August 1949.
[3] *Le Monde*, 21 July 1949, quoting Antara, the Indonesian Republican news agency.
[4] *L'Humanité*, 8 and 26 August 1949.

It was evident that the Soviet Union and the new régime China felt that these efforts on the part of the Viet Minh Gove ment were likely to prove successful. On 14 January Ho Chi M expressed his readiness to establish diplomatic relations w foreign States, and on 19 January, while the British and Americ were waiting for the French to ratify the Agreement bef recognizing Bao Dai, General Chou En-lai, on behalf of Chinese People's Government, recognized the Viet Minh Gove ment. Following this initiative, recognition was extended on January by the U.S.S.R., on 2 February by Czechoslovakia a the Korean People's Government, and on 3 February by Hunga Rumania, and Poland. It was not until 7 February, following ra fication of the Agreement and Treaties, that the United States a the United Kingdom recognized Bao Dai's regime in Vietna and Laos and Cambodia, to be followed on 8 February by Austra and Belgium. Meanwhile, the U.S. Ambassador at large Jessup, had visited Indo-China and was thought to be consideri the possibility of U.S. aid to Bao Dai.

Despite the recognition of the Viet Minh by China and Rus and its activity in the military and political field, it does nev theless appear that for the first time the French have gained so degree of political initiative in Indo-China. In the economic fi production in the French-controlled parts of Indo-China h already improved considerably during 1948, with the importa exception of rice, and this improvement is reported[1] to have co tinued during 1949, while the general economic position of t Viet Minh territories is said to have steadily deteriorated[2]. At t Colombo Conference on 12 January the view seems to have be expressed that Bao Dai had more than a 50 per cent chance success, though since most of the Commonwealth countries s no acceptable alternative to Bao Dai in Indo-China, some eleme of wishful thinking may have entered into this estimate. It possible that if the struggle had been confined in 1950 to Ho C Minh on the one side, and Bao Dai and the French on the oth Bao Dai might have continued steadily to strengthen his hold the country and to attract support. But it now appears that Ind China is to be the scene of a struggle which may have some parall with that in Greece, with the significant exception that initially t Communist candidate appears to have strong nationalist suppo

A. S. B. O.

[1] *Christian Science Monitor*, 29 July 1949. [2] *The Times*, 15 February 1950.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHI

THE WORLD TODAY

Volume VI No. 4 April 1950

*

Notes of the Month

Economic Reforms in Italy

THE Italian Government has lost no time in preparing the legislation necessary to bring into effect its new ten-year plan to combat unemployment and relieve the depressed areas, particularly in the South. On 17 March, only six weeks after the Government's formation, Signor De Gasperi was able to lay before Parliament two draft bills dealing with this programme. These bills are concerned with the financing of the plan, which envisages an expenditure of 120,000 million lire a year for ten years. Of this amount, 100,000 million lire will be allocated to the development of the South, and the remaining 20,000 million to public works in the Centre and North. A special financial concern, to be known as the 'Caisse for public works in Southern Italy', is to be created to administer the fund for the South, and to finance land reclamation and irrigation work, the construction of new aqueducts and roads, and the transformation of hitherto neglected land.

At a press conference three days previously, Signor De Gasperi had discussed the two major reforms now about to be undertaken by the Government—this new ten-year plan for employment and recovery in the South, and the land reform. He showed how these two problems are closely linked, and are indeed complementary to one another, for the proposed land reform involves both the redistribution of property and land reclamation. Though it has been decided to give priority to the ten-year plan, which is to be discussed in Parliament with the minimum of delay, provision is also being made to put into immediate execution the parts of the general land reform bill which concern the South. It will be remembered that a similar 'anticipation' of the land reform bill was put into practice last autumn for the Sila region of Calabria, following on the seizure of land by peasants in that district.

Thus it seems that a serious attempt is at last being made t tackle the long-standing problem of Southern Italian poverty an land-hunger. It is the Government's intention that the new publ works will be set in motion simultaneously with the splitting-up c the big estates. Thus peasants will acquire land of their own, an will at the same time have a reasonable prospect of better communi cations and water supplies ('better' is almost a euphemism, fo these amenities have hitherto been practically non-existent in som Southern districts), and of improvements being undertaken on th land itself.

The great problem will now be how these very extensive an far-reaching projects are to be financed. For the next two years it will be possible to cover a good deal of the necessary amoun through the Interim Aid and E.R.P. lira funds; it is proposed, fo example, that in 1950–1 these two sources should together accoun for two-thirds of the total sum needed for the South, the remainde being drawn from additional indirect taxation on such items as tobacco, sugar, and coffee. But by 1952 Italy will be thrown back on her own resources, and though Signor De Gasperi recently held out hopes of obtaining an international loan, there can as yet be no certainty that this will be forthcoming. In the meantime, the two economic Ministers without Portfolio, whose positions in the new Government were specially created with a view to co-ordinating public and private investment, are working out long-term plans to stimulate productive investment from both these sources Signor Pella, the Treasury Minister, drew an optimistic picture in his recent report on the country's economic situation. As a result of the disinflationary policy which he introduced in the autumn of 1947, the Budget deficit has been reduced, and it is hoped to effect further considerable reductions in the next two years. But the reverse side of Signor Pella's concentration on caution and on the defence of the lira is to be found, for example, in the much greater proportion of public outlay hitherto devoted to consumption than to investments. A similar tendency has also, up to the present, characterized Italy's use of E.R.P. aid, which has been expended on food items and on raw materials for industrial consumption, rather than on much-needed renovation of plant and purchase of new equipment. This policy has incurred the criticism of E.C.A., and seems likely to be revised this year.

The new reforms are being introduced against a background of strikes and agitations which are affecting widely separated regions

Italy, from the industrial workers of the Breda-Marghera fac-
ies near Venice to the peasants of Foggia and Calabria. Though
se strikes find a genuine *raison d'être* in impatience at the
vernment's delays in implementing long-standing promises of
orm (this is particularly true of the land reform bill, which was
eshadowed nearly two years ago), there seems little doubt that
Communists in Italy, as in France, have chosen this moment—
have been directed to choose it—to bring increased pressure to
ır on a situation that was already ripe for exploitation. The
der of the Communist-controlled Trade Union, Signor Di
torio, stated in the winter that his union had no intention of
ing to stir up trouble to sabotage the Holy Year; but he added
rider that normal conditions depended in the first place on
comprehension shown by the Government for the elementary
hts of the working classes—a loophole which is capable of a
ly wide interpretation.

There is, in fact, every reason to induce the present Government
push on with all speed with the new reforms, lest their original
ıception, and the genuine goodwill which inspired and backed
m, should be whittled away by untimely pressure.

valuation of the Ruble

IT SEEMS certain that considerations of prestige played some
t in the price reductions and the ruble revaluation decreed on
March by the Soviet Government. One Soviet commentator
ote: 'It inflicts a new blow on imperialism . . . The U.S. dollar,
ich personified an illusory stability of U.S. capitalism and which
essed down the pound and the franc, is today itself a second-rate
rrency. The most stable currency now is the Soviet ruble.'
ıce 1937 the ruble has been adjusted only against devalued cur-
ıcies, never against the dollar. Now, it is claimed, the dollar is
stable in relation to gold, and the new exchange rate has been
ed at four to the dollar, and 11·20 to sterling. Financial authori-
s here estimate that the purchasing power parity would be
ablished at somewhere between 60 and 100 rubles to the pound
rling, it being difficult to make a closer calculation in the
sence of any Soviet cost of living statistics.

Although the two measures have been linked together in the
icial Soviet statement, the price reductions and the ruble
valuation have no integral connection. Internal prices are deter-
ned by the Government's policy towards consumption and

saving in general, and there is in fact no relation between the ruble in which wages are paid and goods bought within the Soviet Union, and the prices at which Soviet goods are sold to other countries. The ruble has never been used as an international currency for the settlement of foreign trade balances. These have always had to be settled in dollars or sterling. The question whether the ruble is to equal one-quarter or one-fifth of a dollar will affect the book-keeping figures in the Soviet Foreign Trade Ministry, but will not affect the physical quantities of goods passing in trade between the U.S.S.R. and the West.

But the change is clearly designed to fit in with Soviet plans concerning trade with Eastern Europe and possibly China. Up till 1949 Soviet commercial agreements with European States in the Soviet sphere, although on a barter basis, were drawn up in dollars, but last year this was nearly always replaced by ruble valuations. Since there were no balances to be settled under these agreements, the actual value of the ruble never had to be established. If corresponding changes are made in the exchange rates of the East European currencies, the question will remain theoretical; if they are not, the Soviet Union will benefit only if it is able to persuade its trading partners, by more cogent measures than a decree, to accept Soviet goods, not at competitive world prices, but at prices expressed in a highly over-valued ruble.

If, as may be assumed, the change is primarily a further step in the creation of a ruble bloc, such advantages as it might bring in the terms of trade with Eastern Europe are less important than its place in a broad scheme of economic integration, to which Comecon first gave expression. It would reinforce the strongly marked trend towards economic isolationism, of which the latest manifestation was Poland's withdrawal from the World Monetary Fund. It is credibly reported that a central ruble pool has been established in Moscow as part of a multilateral clearing system for the settlement of trade balances both between Moscow and its satellites and between the satellites themselves. Useful as this would be for book-keeping purposes and for facilitating trade within the bloc, the real value of the ruble, again, would only be called in question if outstanding balances were not carried forward, but were required to be settled.

A subsidiary though not unimportant effect of the new exchange rates will be to make the cost of living for Westerners in the U.S.S.R. practically prohibitive, particularly since the diplomatic

e, which tacitly recognized the unreality of the old exchange e, is to be discontinued from July.

China falls into a different category from the East European ates. In the first place, the ruble value of the Soviet loan will, the new rate is applied, fall by about 25 per cent. This will luce the physical volume of goods supplied by Russia under the in only if the Soviet Government is both able and willing to pose the new rate on China, regardless of the world market ices of the goods it is to supply. Throughout China the U.S. llar has always been the standard currency, and it can only be ccessfully eliminated if in fact the U.S.S.R. is able to supply nna directly or indirectly with the goods it so urgently needs at mpetitive prices. If East Germany were brought into the ruble oc and trade between East and West Germany expands, this ght provide the channel through which Russia could supply iina with the necessary imports, particularly since Western irope finds so many difficulties in the way of trade with the ited States.

ishmir and the United Nations

THE agreement of 14 March, by which both India and Pakistan cepted a joint resolution introduced by Cuba, Norway, the nited Kingdom, and the United States, marks a further slight vance in the Security Council's efforts to deal with the problem Kashmir.

When India was partitioned in 1947, the British Government dicated that the Indian States might join either of the new ominions or remain independent, though it soon appeared unely that the Dominion of India would long tolerate aspirations independence on the part of States. The Kashmir Government, wever, expressed its intention of declaring itself independent ter 15 August 1947, and announced that it would enter into andstill agreements with both Dominions. But these statements re soon followed by reports of conflict in Kashmir between oslems, who form over 90 per cent of the population in Kashmir oper and over 50 per cent in the smaller area of Jammu, and e Maharajah's troops, caused, it seems, in part at least, by mours that the Maharajah intended to accede to India, rumours nich were denied on 23 September, at the same time that the tention of conducting standstill agreements was reaffirmed. hese rumours, however, continued, and at the beginning of

October it was reported that a Moslem 'provisional Republican Government' had been set up in Kashmir and that Pathan tribesmen from the North-West Frontier Province of Pakistan had entered the State. On 27 October it was officially announced that Kashmir had acceded to India, whose Government sent troops to reinforce the State forces and installed a government under Sheikh Mohammad Abdullah, a Moslem who believed in co-operation with India.

Fighting continued in Kashmir throughout the autumn and winter. The Indian army succeeded in securing control of the Vale of Kashmir and of the more prosperous southern portions of the State, but since Kashmir's communications run down into Pakistan, it found itself, with the near approach of winter, in a difficult military position. By a letter dated 1 January 1948, India drew the attention of the Security Council to the situation in Jammu and Kashmir. The subject was admitted to the Council's agenda on 6 January, and at the end of the month a Commission of three was appointed to investigate the situation and to exercise a mediatory influence. The Commission was increased to five by a resolution of 21 April, and given detailed instructions for the restoration of peace and order, and the holding of a plebiscite. On 13 August the Commission adopted a resolution for a cease-fire order and truce agreement. The cease-fire came into operation on 1 January 1949, and on 26 July 1949 the cease-fire line was marked out and accepted; but no progress was made with the preparations for the holding of a plebiscite.

The ostensible reason for the breakdown of discussions to create conditions under which a plebiscite could be held was the Indian objection to the Indian and Kashmir State forces being treated on the same footing as the Pakistan army and the forces of Azad Kashmir—as the Moslem independence movement, which controls most of northern Kashmir, is known. India demanded that the Azad Kashmir forces be disbanded and disarmed, without reference to the troops of the Kashmir State Government, that Pakistani troops be withdrawn, and that the State Government administration be allowed to return to north Kashmir, with the right to invite Indian troops to garrison areas where trouble seemed likely to break out. These proposals were quite unacceptable to Pakistan. They amounted to a rejection of the scheme put forward by General McNaughton, Chairman of the Security Council, in his efforts to achieve conditions under which a plebiscite could be

held. General McNaughton had proposed that the forces of the two sides should be steadily withdrawn together from the areas which they controlled, in order to permit a fair and impartial plebiscite to be held, uninfluenced by the presence of military forces with an interest in the result.

There is little doubt that opinion within the Security Council has, in general, been critical of the Indian Government's attitude, and India's willingness to accept the four-Power resolution may have been a response to this view. Yet it is by no means certain that the resolution has resolved the difficulties, since it is based on the McNaughton proposals, already rejected by India, while leaving the parties free to modify them by agreement, and replacing the Commission by a single United Nations representative. The Pakistan Government appears unwilling to accept anything less than the McNaughton proposals, and India's acceptance of the four-Power resolution seems to have been subject to a number of reservations, mental or explicit.

The importance of agreement on the Kashmir trouble cannot be overestimated. It is a centre of infection which has poisoned the whole field of India-Pakistan relations, and its repercussions have extended to communal rioting in Bengal, the devaluation of the rupee, trade between the two countries, and the control of canal waters in the Punjab. In consequence both countries are spending well over half of their Budgets on military preparations and are being prevented from tackling the great economic and social problems which exist in the sub-continent.

There is, of course, some right on both sides. India takes her stand on the accession of the Maharajah, and supports it with the claim that Kashmir controls an important trade route from Sinkiang into India, and that the control of the northern mountain areas of Kashmir is essential to her defence. She claims that she quite properly accepted accession of the State when it had been invaded from Pakistan, and herself made the proposal that its ultimate fate should be settled by a plebiscite when the situation had become more settled. Since Pakistan had followed up her encouragement of the Pathan incursion with actual invasion by Pakistani troops, India insists that the Pakistanis withdraw and that any other action would be a reflection on India's good faith in originally proposing and subsequently reaffirming her belief in a plebiscite. It is believed that Pandit Nehru, who is himself of Kashmiri origin and is sometimes said to be personally interested

in the future of the State, feels this last point particularly stro
and believes that failure to accept it is a personal reflectioı
himself.

Pakistan claims that the Moslem inhabitants of the State
in genuine rebellion against the oppression of the Hindu Mah
jah, that the Pathans entered to help their co-religionists at a
when, immediately following the birth of the new Domin
Pakistan was not in a position to stop them, that the Maharaj
accession to India was made in spite of the standstill agreen
with Pakistan and against the wishes of the vast majority of
inhabitants of the State, and that India's sole idea in tryin
win control of Kashmir is to secure it as a base for polit
economic, and even military attacks on the very existenc
Pakistan itself. The Pakistanis claim that almost all Kashmir's c
munications run down into their country, that her trade and
her tourist industry are inescapably linked with Pakistan, and
her territory is essential to its defence; and, above all, that Kasl
is the source of some of the great rivers without whose w
considerable areas of the Dominion could be reduced to deser

Pakistan's feeling on this last point is particularly strong.
claims that the Indian East Punjab administration has alre
interfered with the flow of water into Pakistan from the Ravi
the Sutlej, and that if the head waters of the Chenab and Jhe
fell into Indian hands the very life of Pakistan would be at
mercy of India. She points out, too, on the juridical question,
in the two very similar cases of Junagadh and Hyderabad, Ir
did not stand on legalistic points but proceeded to use forc
gain her own way at the expense of the rights of the ruler. Fin
the Pakistanis explain the failure of the Indians to accept
McNaughton proposals by claiming that India realizes that
will lose a plebiscite and is determined that one shall not t
place unless she is in a position to influence its result.

The dispute has now dragged on for two and a half years,
time when all the energies of India and Pakistan should be devo
to developing their two economies and to raising the appallir
low standard of living of their peoples. The two countries
complementary. Peace and good will between them is an essen
for the prosperity of both. It is to be hoped that the pressur
economic necessity, allied to the clearly expressed wish of
Security Council for an impartial plebiscite, may induce in b
parties a more accommodating frame of mind. But it cannot

said that the events of the last few months have been particularly encouraging. Such statements as that made by Pandit Nehru, on 6 February, at a press conference, to the effect that his patience was becoming exhausted, make better relations a prospect to be hoped for rather than expected.

The Case of Seretse Khama

THE repercussions of the case of Seretse Khama have been formidable. Two things emerge—first, its world-wide significance for the Commonwealth, raising as it does, in vivid and personal form, the whole problem of the relations between the coloured peoples of Asia and Africa with the Dominions and the mother country; secondly, the question of the best method of indirect rule in the Territory and of the place of chieftainship in it.

If Seretse Khama was able enough to become a graduate of Balliol, and sufficiently popular among his own people to gain their acceptance of his unorthodox marriage with full recognition of his white consort, it seems on the face of it disingenuous to argue that it is, on this count, for the good of the Bamangwato that he should be exiled for five years with no certain prospect of ultimate return. According to H.M.G.'s White Paper, however, at the first two tribal meetings of the Bamangwato on the subject of Seretse's marriage he did not win decisive support. The question was complicated, in the eyes of his fellow tribesmen, by the fact that if he were not allowed to return, there was reason to suppose that the Regent Tshekedi—who during his twenty-three years of rule had become increasingly unpopular—would be their permanent Chief. In fact, after the third tribal meeting in June 1949, following on a decisive vote in favour of the return of Seretse as Chief, with his wife, Tshekedi and five out of eight of the leading chiefs appointed to preside over the administration of the Reserve left to take up residence in the neighbouring Reserve. They took this action on the grounds that the law and custom of the tribe had been violated by Seretse's action.

In spite of the evasiveness with which the question has been handled, there is little in the published evidence to suggest that the British Government treated the case primarily from the standpoint of racial prejudice. On the other hand, however great the immediate difficulties facing the Government may have been, it is hard to believe that the compromise solution which the Government has favoured—whereby a decision taken at a tribal meeting

has been set aside, Seretse is exiled, and Tshekedi not permi
to return as Regent—will for long postpone further discussio
the fundamentals of African policy and the inter-Commonwe
problems involved.

'The Royal Question in Belgium'

RECTIFICATION

In the above article (*The World Today*, March 1950) it erroneously stated (p. 124, five lines from bottom) that Socialist ex-Minister Professor Blancquaert had been dismi from the Belgian Socialist Party. The position in fact is t though certain Socialist papers (e.g. *Le Peuple*, 6 March) issu statement disowning this former Socialist Minister, Profe Blancquaert's views still remain those of an independent Socia

The Colombo Conference in Retrospect

THE decision to hold a Conference of Foreign Ministers in Ceylon was taken at the Conference of Prime Ministers in London in October 1948. This latter Conference was the first at which the Prime Ministers of India, Pakistan, and Ceylon had been present, and two things were then evident. The first was that the problem of Commonwealth relations was no longer a constitutional problem, but one of achieving a fuller understanding of foreign and economic policies. The second was that the independence of India, Pakistan, and Ceylon had completely altered the balance of the Commonwealth.

This second point may be illustrated by the following population figures:

The Old Commonwealth		
United Kingdom	50,019,000	
Canada	12,903,000	
Australia	7,581,000	
New Zealand	1,803,000	
South Africa	11,760,000	
		84,066,000
The Commonwealth in Asia		
India	337,000,000	
Pakistan	69,000,000	
Ceylon	6,700,000	
		402,700,000
	Grand Total	486,766,000

Population is no criterion of influence, and the policy of the United Kingdom before 1947 was always much concerned with the effect of international events on the then British possessions in Asia. but it is obvious that greater emphasis must be given to Asia now that there are three Governments to press its needs. The fact that in some respects those Governments have divergent or competing interests does not affect the general principle, for they are capable of acting in unison where their interests or their sympathies are common. They have, for instance, made common cause against racial discrimination in South Africa and in favour of independence in Indonesia. They share, too, the common problem of a low standard of life which causes them to regard economic problems from an angle very different from that adopted in Britain and the older Dominions. Moreover, since the Conference of 1948

they have achieved a common enemy, the Communism which over-run China and seems likely to threaten Southern Asia.

THE SETTING OF THE CONFERENCE

The choice of Ceylon was presumably determined by the that it is a friend of all and an enemy of none. Having achi independence by constitutional means, it has no legacy of troversy with the United Kingdom. As one of the daughter Mother India it is sympathetic to nationalist India without desire to be absorbed by it. The comparatively small Mu population is fully collaborating with the Sinhalese without lo its sympathies with Pakistan. It is not involved in any of the troversies which developed between India and Pakistan. B much more westernized than India and Pakistan and yet ha close contacts with both, it can be a bridge to join the Comm wealth in Asia to the older Commonwealth. All the member the Commonwealth—even South Africa, for few Ceylonese suffered from racial discrimination there—could send their re sentatives to Colombo without feeling that the local environn would be difficult, and without starting a new controversy.

The assumption made in October 1948 was that there woul conferences of Prime Ministers every twelve months and con ences of Foreign Ministers in between. However, a second con ence of Prime Ministers was held in April 1949 to discuss implications of India's decision to become a republic. Gen elections in Australia and New Zealand in the (English) autum 1949 and local climatic conditions led the Government of Ce to issue its invitations for January 1950. The influence of wea on foreign policy seems never to have been worked out, bu should be said that the forecasts were correct. The north- monsoon came straight from the Himalayas and the weather cool, sunny, and dry. The large evening parties could be and w held in the open on grass which was still green from the e monsoonal rains. A conference in April would have been hot stuffy; a conference in October would probably have met the in monsoonal rain. Colombo in early January might be described the traditional phrase applied to Adam's Peak, as 'forty miles fr Heaven'. It should be added that whatever was lacking in mental climate was supplied by the appointment of the Pr Minister of Ceylon to the Privy Council in the New Year Hono

The leaders of delegations were:

UNITED KINGDOM: The Rt Hon. Ernest Bevin, Secretary of State for Foreign Affairs.

CANADA: The Hon. Lester B. Pearson, Secretary of State for External Affairs.

AUSTRALIA: The Hon. P. C. Spender, Minister of External Affairs.

NEW ZEALAND: The Hon. F. W. Doidge, Minister of External Affairs.

SOUTH AFRICA: The Hon. Paul Sauer, Minister of Transport.

INDIA: Pandit Jawaharlal Nehru, Prime Minister.

PAKISTAN: Mr Ghulam Mohamed, Minister of Finance.

CEYLON: The Rt Hon. D. S. Senanayake, Prime Minister.

he Prime Ministers of India and Ceylon are also Ministers of xternal Affairs. Sir Zafrullah Khan, Minister of External Affairs r Pakistan, was detained at Lake Success by the committee of e Security Council dealing with Kashmir. The presence of the rime Minister of South Africa would probably have been more mbarrassing to the guest than to the hosts, who would have dislayed their usual tolerance.

The meetings were held in the Cabinet room in the Senate louse, which used to be the home of the Legislative Council in eylon's colonial period and which overlooks Gordon Gardens named after the Governor, not the General), formerly the parade round of the British garrison. The local press did not fail to draw moral from the fact that the Prime Minister of Ceylon was residing over a Commonwealth Conference in the place where utocratic colonial governors had used their official majority to verride 'the national aspirations of the people of Ceylon', and hat the old parade ground of 'British imperialism' was a suitable ackground.

There was no formal agenda, though a short list of suitable opics was provided. Nor was there any 'documentation', except he briefs with which the Ministries no doubt supplied their Ministers. This absence of preparation has been criticized on the round that it could lead to empty discussion. It must, however, e remembered that the Foreign Ministries already have a very ubstantial volume of written material in common through the ystem of exchange of information which now works with mechanical precision. The brief on European problems which the Ceylon Ministry of External Affairs could provide to the Prime

Minister would in all essentials be the same as the factual pa the memorandum supplied by the Foreign Office to the Secr of State, for it would be based on the same material. There w no doubt be minor variations arising out of the impressions de by the High Commissioner in London from the discussions a weekly conference, or in more personal contacts, but in the the Ceylon document would deal with events in Europe a diplomatic representatives of the United Kingdom (who are the diplomatic representatives of Ceylon) saw them. Other C monwealth countries with a larger diplomatic service would s greater variations, but the additional material thus available o also to be known in London and elsewhere. It follows that the no need for a secretariat to produce factual material in advan is already in the files. Questions for discussion concern policy

The fact that the Conference was planned as long ag October 1948 shows that it was not designed for any specific pose. The Ceylon Communists of both brands (the Trotsky much the stronger) saw it, as might be expected, as a conspi of the 'Anglo-American bloc' to secure the support of the 'br capitalists' in the impending war against the Soviet Union o working-class or both—it must of course be remembered tha the larger (Trotskyist) section of the Ceylon Communists Soviet Union is not the organ of the working-classes, but a bur cratic junta which has perverted the normal course of the Rev tion. If this is so, the Anglo-American conspirators, who usually so clever and efficient, have shown themselves singul dilatory, though probably the Communists would reply that Conference had in fact been summoned to deal with the advan the working-class in China.

THE POLITICAL AGENDA

It should first be said that matters in dispute among the C monwealth countries were not discussed. India, Pakistan, Ceylon are united against the racial policy of South Africa, tho Ceylon has only an emotional interest in the matter. The s countries dislike the 'White Australia' policy, especially as it been administered in the recent past—a policy which invo some Anglo-Indians and Burghers being classed as 'white' others as 'coloured', though it is apparently impossible to dev test which produces the same result in New Delhi or Colomb in Canberra. India and Pakistan have a whole series of proble

That of Kashmir is being debated in the Security Council, while the devaluation of the Indian rupee in terms of gold and the refusal of Pakistan to follow this example have given rise to a virtual cessation of commercial traffic. India also claims to have complaints against Ceylon because the new citizenship laws do not enable Indians to become citizens with sufficient ease. None of those items was discussed in the Conference nor, so far as is known, outside, though it is believed that Pandit Nehru had some discussion with the leaders of the Ceylon Indian Congress.

The Conference was in fact designed for a discussion of common international problems. Inevitably the problems of Asia provided the main theme. Since the Prime Ministers' Conference of October 1948 the situation in Europe has become much simpler. Marshall Aid, Western Union, the Atlantic Pact, and the establishment of a federation in Western Germany have kept Russian influence within the area controlled by the Red Army. Tito's rebellion against Moscow dictation and the success of the Greeks against the Communist rebels have stabilized the Balkan situation. The establishment and recognition of Israel has virtually terminated the struggle in the Near East.

On the other hand, Communism is on the march in Asia. Before the Conference began, India, Pakistan, the United Kingdom, and Ceylon had decided to recognize the Communist régime in China. But whether recognition was or was not given did not affect the situation, for the Communists were in fact in control, and this situation created or emphasized several problems. The problem of Viet Nam became of much greater importance, for Viet Minh might now expect direct Communist support, and a Communist success would have direct repercussions in Burma, Siam, and Malaya. The question to be decided was whether Bao Dai had sufficient power to enable his Government to secure the nationalist, non-Communist support which hitherto had gone to Ho Chi Minh. If so, it would be worth while to recognize what the French called his 'independence'. India, Pakistan, and Ceylon, of course, had more than a strategic interest in the question, for they had developed informally a sort of Asian 'Monroe doctrine' under which the colonial Powers should be encouraged to leave Asia as soon as possible. With the problem of Viet Nam was associated the problem of Siam, which has failed to find a stable government, and the problem of Malaya, where guerrilla warfare officially described as 'banditry' continues. It is significant that Mr Malcolm MacDonald,

Commissioner-General for South-East Asia, was a member United Kingdom delegation.

The Chinese situation also affected the problem of B which had been discussed at the Prime Ministers' Confere April 1949. It was not merely political but also econom India, Ceylon, and Malaya rely heavily on Burmese rice. If, to disturbed conditions, such supplies are not forthcomin three countries have either to let their peoples starve or secur are called 'substitutes' (wheat, maize, and pulses) at ver prices—and wheat prices had risen through devaluation e countries like Australia which had devalued. The Governm Burma seemed very confident of its ability to deal with the lem, and its view was generally supported by the diplo information which came from Rangoon: but no attempt hac made to move towards the obvious solution of an arrangemen the Karens. So long as this internal strife continued there v obvious risk of Communist infiltration. On the whole the o seems to have been that the Burmese Government should be financial assistance (especially in the form of advances f purchase of rice) by the four countries most concerned, Pakistan, Ceylon, and the United Kingdom.

Among the other problems created by Communist Chin of Tibet deserves only passing mention. If the Communists to enforce the traditional but hitherto meaningless suzerai China, nothing could be done about it unless India was pre to send a military expedition, which seemed unlikely. The lem of the Japanese Treaty, on the other hand, had become more difficult. Certain principles had been agreed at the Can Conference in 1947, but they might not be relevant to the situation. Presumably Communist China would now suppo policy of Communist Russia. It was probable, too, that Ame policy had changed. American occupation of Japan, even und present very unsatisfactory arrangements, was better than Ru or Chinese occupation; and Russian or Chinese occupation i be the result of leaving Japan defenceless.

ECONOMIC PROBLEMS

It seems, however, that the emphasis of the discussion l the need for protecting the three Asian countries and M against Communist infiltration. The Prime Minister of Ceylo his opening remarks, emphasized the connection between fo

and economic policy. He was apparently polite enough not to make reference to the threat to scale down the sterling balances—which would in any case be an idle threat to Ceylon, for she would promptly withdraw her dollar surplus from the Commonwealth pool—or to Australia's decision to use the opportunity of devaluation to put up the price of wheat. The leaders of the Indian and the Pakistan delegations repeated the main principle put forward by the Prime Minister of Ceylon, that the success of the democratic forces in South-East Asia depended upon a continuous rise in the appallingly low standard of living. This led the Australian delegation to put forward a scheme for Commonwealth assistance to the Asian countries. The Ceylon Minister of Finance had a proposal somewhat on the same lines. These two proposals were fused, and it was agreed to establish a Consultative Committee, to meet, in the first instance, in Canberra. So far as can be ascertained the problem was not examined in detail, and it was rather a plan for a plan than an immediate policy.

The main Conference thus found, as always, that economics and foreign policy were intermingled. Simultaneously an economic conference took place at what is called the 'official' level. Presided over by the Second Secretary to the United Kingdom Treasury and attended only by officials, it kept out of the limelight—with which Colombo was otherwise flooded—and allowed none of its secrets to be disclosed. The final press communiqué gives all that is known about it:

> Commonwealth officials concerned with economic affairs have held a separate series of meetings throughout the week. Their primary purpose has been to exchange information on developments since the Commonwealth Finance Ministers met in London in July. These meetings have afforded a valuable opportunity for a joint survey of the sterling area's current and prospective balance of payments position and for a discussion of the economic problems that face the Commonwealth. Particular attention was given to the recent trend of, and the future prospects for, the dollar exports of the sterling area.

The polysyllables strike a resonant chord, for they have all been used before. We may say that there was a discussion, that it dealt with economics and finance; and that is all.

THE ACHIEVEMENT OF THE CONFERENCE

A fundamental problem of the Conference was publicity. All the delegations had their public relations officers or press officers: some even had film units. The gentlemen of the press (not to

mention a few ladies) would have been by far the strongest delegations had they organized themselves. Wherever the j was admitted, the most prominent person was not Pandit Ne. Mr Bevin, but the photographer of a famous periodical. But was little to report, and almost nothing to say that the more s periodicals had not said for several days before the Conf began. It was not a conference at which decisions were tal action was initiated. Though there were Kandyan dancers, (mers, jugglers, conjurors, and attractive young ladies in s they appeared in the interstices of the Conference, which con of speeches made in private. An attempt was made to me problem by improvising an 'open-session' at which the lead delegations said nice things about each other, and especially Ceylon. The island knows that she is beautiful, and loves to b so, but platonic compliments do not make good 'copy'.

The press tended to give the impression that the Conferen a 'failure', or even a 'fiasco', because there was little to rep was, in fact, very successful in doing what it set out to do, t vide a synthesis of views at an important stage in the w history. The Commonwealth has no foreign policy, and the nations (at least) would already have left it if it had. Th representatives of three nations which, only three years ago, 'British Imperialism' as their worst term of abuse could con late the British Foreign Secretary on the success of his polic already a triumph of understanding, and not in Asia alone. N it unimportant that Pandit Nehru and Mr Ghulam Mohamed often seen together in public, for nations tend to become pe fied and international affairs to be dramatized. India and Pal have differences, but their representatives did not seem to that it was necessary to quarrel about them. It is not essentia nations should agree, provided that they agree to differ: and w happening in the Commonwealth is that when the members not agree, they agree to differ. If the whole world would follo example there would be no wars.

Deviationism in Bulgaria

The Indictment of Kostov

To quote the words of the late Dimitrov, the Bulgarian People's Republic entered 'a new and higher stage in its development on the road to Socialism' in December 1948, after 'the historic fifth Congress' of the Bulgarian Communist Party. At that Congress Dimitrov gave the official Communist definition of the People's Republic as a system of government—'a dictatorship of the proletariat in a new form'. The Soviet system and the system of government in the people's democracies were 'two forms of one and the same power—the dictatorship of the working class in alliance with and in leadership of the toiling peasants'. The people's democratic régime 'assumes the functions of Soviet power', but this 'does not alter the fundamental theoretical laws governing the change from capitalism to Socialism, which are the same in every country, namely, Socialism cannot be achieved without the dictatorship of the proletariat'. Finally, Dimitrov promoted the Soviet Communist Party to the heights of an omniscient and all-powerful international authority, directing and controlling all Communist States and all Communist parties in the world. He said: 'All Communist parties form one single Communist front under the direction of the Soviet Party, and all Communist parties have one leader and one teacher recognized by all—comrade Stalin.'

It is worth noting that at the same Congress Dimitrov made some sensational revelations about the past activities of the Comintern. In April 1925, at the funeral of a Bulgarian General, Sofia Cathedral was blown up by a bomb. One hundred and fifty people were killed outright, including over thirty senior officers, political leaders, M.P.s., editors, professors, etc, and another 250, half of them women, were severely wounded. This mass slaughter shocked the whole civilized world, but when the Bulgarian Government announced that its investigations had proved that the outrage had been organized by the Comintern, the whole Communist and Left-Wing press in Europe most emphatically denied this conclusion. At the Reichstag fire trial Georgi Dimitrov said: 'The Cathedral outrage was not organized by the Communist Party. It was a provocative act organized by the Bulgarian monarcho-fascist police.' Yet at the 1948 Communist Congress Dimitrov admitted officially that the Cathedral outrage had, in fact, been organized

by the Communists. He made no reference to his own and t[he] Comintern's statements to the contrary made over a period [of] twenty-five years.

THE ATTACK ON THE CHURCH AND THE PURGE OF 194[9]

Less than three months after the Congress the Communis[ts] completed their 'offensive' against Bulgaria's religious institution[s]. (All non-Communist political parties had been disbanded and [all] non-Communist papers suppressed prior to 1948. Nikola Petko[v], the leader of the Parliamentary Opposition, was hanged in Sep[tember] 1947.) A crippling blow was aimed at the Protesta[nt] Church, a small but much honoured and very influential instit[u]tion in Bulgaria, through the trial, in February 1949, of fifteen [of] its most prominent leaders, who were imprisoned as traitor[s], Anglo-American spies, and saboteurs. The head of the Orthod[ox] Church, Exarch Stefan, was summarily dismissed and interne[d]. Another well-known anti-Communist archbishop, Boris, w[as] killed at the gate of his church by a Communist assailant. Finall[y], in March, the Communist Sobranye passed a law 'to guarantee th[e] freedom of religion' which placed all churches, mosques, an[d] synagogues in Bulgaria, as well as all clergy and ecclesiast[ical] officials, under complete State control. Relations with any religio[us] bodies abroad were forbidden (Art. 25); the State assumed pow[er] to 'alter or suppress all church statutes, regulations, administrativ[e] rules, etc.' (Art. 32); all churches were to have 'governing boar[ds] responsible to the State' (Art. 9), and clergy or church officia[ls] who 'by speech or in writing or in any other form' criticized th[e] Communist authorities were to be liable to penal servitide (Ar[t.] 13). The State has the power to appoint, dismiss, and remove fro[m] their posts all clergy and all church officials. The law not onl[y] destroyed the independence of the Bulgarian churches, but, wh[at] is more sinister, it made them obedient branches of the Com[mu]nist administration.

The following April witnessed the most unexpected and cer[tainly] tainly the most violent turn of events. A gigantic purge wa[s] engineered in the leadership of the Communist Party itself. At [a] stormy meeting of the Central Committee Traycho Kostov, No. [2] in the Politburo after Dimitrov, Deputy Prime Minister an[d] certainly the most powerful Communist leader in the countr[y], was accused of 'lack of friendship and sincerity towards th[e] Soviet Union' and of 'nationalistic tendencies'. He was remove[d]

m the Politburo, expelled from the Party, arrested, tried, and aged within a period of eight months. A week after Kostov's est Dimitrov was reported to be gravely ill in Moscow, where died in July. Though, five months after his death, the Com- mists published what purported to be a posthumous anti- stov letter of Dimitrov's, there are strong reasons for thinking it Dimitrov in fact had never said a word against Kostov, who s his friend and acknowledged successor. The scramble for wer which followed was won by the Soviet nominee, Valko ervenkov, but only after a savage fight in which the most ominent Bulgarian Communist leaders were liquidated. The mmunist Congress in December 1948 had elected to the ntral Committee the following 'Big Seven, in order of their portance: Dimitrov, Kostov, Kolarov, Chervenkov, Yugov, rpeshev, and Chankov. Less than a year later Chervenkov stood ne, and even Chankov, who in September 1949 seemed to be cond in command, was definitely in eclipse. Kolarov died in nuary 1950, and Terpeshev and Yugov were demoted a week later.

CHERVENKOV AND KOSTOV

Chervenkov was a comparative newcomer to the party. When, me four years ago, he arrived in Bulgaria from Moscow and came for the first time a Central Committee member, he was t known even by the better informed Communists. In Russia had worked for many years in the Soviet Police and had held e unenviable position of bodyguard to Dimitrov. Married to imitrov's sister, he was very unpopular in the higher Communist cles and despised personally by Dimitrov. Forty-nine years old, stout, bulky figure, with a low, narrow forehead and thick, iruly hair, he was feared because of his connections with the viet Police. Kostov, by contrast, was the most popular leader th the Communist rank and file. He had been a member of the litburo since 1935 and Central Committee secretary since 1940. e was the party's official theoretician and historian. His fiftieth rthday in June 1947 was fêted with a pomposity second only to e celebrations in honour of Dimitrov. A Central Committee solution, signed amongst others by Chervenkov himself, had is to say about Kostov: 'Great are your achievements, comrade ostov, as builder of the Party, as teacher and instructor of party embers. Under your leadership, and inspired by your heroic ample, thousands of party members were educated into absolute

loyalty to the party. Your deep Marxist-Leninist theoretical knowledge, your great culture, your famous industry and steadfastness your modesty, your iron will, your unquestionable loyalty towards the Party and the working class are those Bolshevik characteristics which beautify your whole fighting life, for ever united with the struggle of the Party. A loyal colleague of comrade Dimitrov and his first assistant, you are today one of the most loved and respected leaders of the Party, a great statesman and builder of new Bulgaria.'

The background of the Kostov case can be summarized with considerable accuracy. He was still at the height of his power in March 1949 when he started conducting the negotiations for a new Soviet-Bulgarian trade agreement. During the negotiations he is alleged to have 'kept secret from the Soviet delegation' certain prices of Bulgarian products, and to have forbidden his subordinates to deal directly with Soviet officials—an unpardonable crime for a Communist politician. But there was something even more serious, from the Soviet point of view. For years the Soviets had watched Kostov's activities with care. They had noticed that he was in favour of trade with Western Europe. He was even, in common with other economists in the Party, favourably inclined towards the Marshall Plan, but he had accepted obediently Stalin's rule on the matter. Last, but not least, Kostov was a Communist intellectual who had written many books on Marxism-Leninism. Though Stalinist in outlook, they could certainly be considered too independent in their conclusions. It is noteworthy that in his many writings Kostov repeatedly referred to Stalin simply as 'comrade Stalin'. He had none of the more recent and more subservient Communist phraseology, which has elevated Stalin to the position of a demi-God. Lenin, rather than Stalin, was Kostov's master

THE INDICTMENT OF KOSTOV

Kostov's trial (7–14 December 1949) followed the general lines of the Rajk trial, but in Sofia the chief propaganda effort was directed not against the Americans but against the British. The main charges were contained in the Indictment and in Kostov's so-called 'written confession' (which he repudiated in Court). Both documents make strange reading and point definitely to Russian authorship. Bulgarian affairs are discussed only with reference to Soviet policy, and the whole case against Kostov is built up on the basis that he had betrayed the Soviet Union. According to the Indictment and the written confession, 'the British' recruited

ov and nearly all the Communist leaders of the Bulgarian tance as secret agents as far back as 1942. The British did this igh the Bulgarian police. But Bulgaria was at war with in in 1942, and the Bulgarian police were largely under ian control. The implication is that the British Intelligence ce and the German Gestapo were hand in glove in their in activities even at the height of the war!

ie revelations at the trial become even more extraordinary they cover the post-war activities of the Bulgarian Comst Party. The amazing British managed to plant their agents nly in all economic ministries and departments, not only in abinet, but in the sacred precincts of the Communist Polititself. Kostov 'obeyed the orders of the British until his t'. The secretary of the Politburo (Pavlov) was also a British The Minister of Foreign Trade (Tutev) became a Communist because the British ordered him to do so. The Finance ster (Stefanov) had been a British agent since 1932. The atigable British had penetrated, to quote Chervenkov, 'into ighest levels of the Party'.

t the British were even more successful in the international All Yugoslav-Bulgarian negotiations between 1944 and 1948 but part of a subtle plan for the enslavement of the Southern . The negotiations between Tito and the Bulgarian Father-Government in the winter of 1944–5 for the proclamation of ith Slav federation were ordered by the British. However, as ritish Government at the time protested against these negotia-, Kostov's Indictment stated that the British did this only der to camouflage their real intentions and to fool the Soviet n. (They must have succeeded in this remarkably well, as raft Yugoslav-Bulgarian agreement was fully approved by the t Government in January 1945.)

ie sensation of the trial was Kostov's plea of 'not guilty', ited several times in Court and courageously reiterated in his words' before his judges. His voice, however, was drowned e hisses and boos from the Communist audience which had to enjoy the show. Characteristically, the trial did not take in the Sofia Law Courts, but in the specially decorated ball-of the Military Club. Kostov was not allowed to explain he had come to sign his 'written confession' in prison, if d he had signed it. For two whole days no Soviet or satellite station or paper dared to comment upon his stand. On the

third day of the trial *Pravda* delivered the first broadside: it described Kostov as 'a shrewd, experienced, and determined enemy, with a soft, oily voice, the cunning eyes of a thief, and a funny bent back'. The 'bent back' theme was gloatingly taken over by the cartoonists in Sofia, and Kostov appeared on all front pages as a dwarfy little figure crawling for money before his Anglo-American masters. This revealed, more than any other aspect of the trial, the shameless cruelty of Communist propaganda. Kostov had been a hunchback since 1924. He had then been arrested as a Communist organizer and threatened with torture in the Sofia police gaol. He jumped out of the top floor of the gaol in an effort to commit suicide, but he fell on to some telephone wires which saved his life. But he remained a cripple for life. For more than twenty-five years official Communist literature had portrayed Kostov as one of the top martyrs in the Communist International.

The trial was obviously staged on purpose during the General Election week. The presiding judge was himself the chairman of the Government Election Commission; forty-eight hours after Kostov had swung on the gallows, it produced the expected 98 per cent majority. But it was during Stalin's birthday celebrations that the real meaning of Kostov's death was clearly defined. The greeting of the Bulgarian Communist Party contained the following remarkable passage: 'Only thanks to your wise and timely instructions, highly esteemed comrade Stalin, we managed to uncover the cowardly hidden enemies of our Republic, to unmask the agents of the imperialist Powers, and to cleanse ourselves of them. Only your deeply penetrating eye could see in time the criminal spy gang of Kostov. On this, your seventieth birthday, we send you our deepest gratitude that you helped us to render harmless the Kostov gang.' And at the birthday celebrations themselves, in the Moscow Bolshoy Theatre, Chervenkov, in the presence of Stalin, announced with great pride that Bulgarian Communists 'have learned to beat and annihilate their enemies in the Stalinist way'

THE ECONOMIC POSITION

No comprehensive, or comprehensible, picture of economic conditions in Bulgaria can be drawn, as economic statistics have now been proclaimed State secrets[1]. Production figures are given

[1] The law defining State secrets, passed in November 1948, prohibits the publication even of such items as the number of hospital beds, doctors, refrigerators, or post offices; all information on production, machinery, and labour in factories; and information about the weather in 'military zones' (which comprise more than half of the whole country).

in percentages. We are thus informed that the industrial ıction plan in 1949 surpassed the target by 107 per cent, and compared with 1948, industrial production was increased) per cent. It is also alleged that agricultural production in exceeded that of 1948 by 70 per cent for tobacco, 6 per cent ›tton, 31 per cent for potatoes, and 43 per cent for tomatoes.

n December 1949 the head of the Office of Statistics (Tzon- was given fifteen years' penal servitude for sabotage and ing activities. Saboteurs in the Finance Ministry 'confessed' the figures on which the Five-Year Plan was based were y and exaggerated'. As late as January 1950 Chervenkov com- ;d that the enemies had not yet been 'completely liquidated', hat they were still hiding 'in the centre of the State machine, y in the economic departments'. Indeed, the purge in the nunist leadership affected all prominent party economists, ding two Finance Ministers, the Ministers of Industry, Public s, Reconstruction, Electrification, Foreign Trade, Agricul- and Transport, the Governor of the National Bank, the head e Economic Department of the Communist Central Com- e, and the director of the Five-Year Plan, in addition, of e, to the supreme economic dictator of Bulgaria, Traycho ɔv, head of the Cabinet committee for financial and economic s, which has now been dissolved.

r the 1949 Budget only the total figures for the different stries were published, but even these provide a striking ple of the workings of a Communist State. Thus the Police stry spends 7,200 million leva, while the Education Ministry ols, universities, teachers, etc.) is allotted only 4,500 million The Communist Propaganda services swallow 4,500 million, the whole Ministry of Public Works, which supervises and for the Five-Year Plan, gets 6,400 million leva. The Army is ed 12,000 million and the Labour Army 4,300 million, a :ndous increase in comparison with pre-war Bulgarian ;ets.

ıe mania for secrecy has assumed even more ridiculous pro- ons with the publication of the new Budget estimates for . Not even total sums of the expenditure of each Ministry are ıled. Instead, all the Ministries are divided into economic, l-cultural, defence, and administrative groups. The admini- ve group comprises the civil service and the police, and the

ıe £ sterling stands at roughly 3,000 leva.

credit for it amounts to the enormous sum of 15,000 million leva, or nearly ten times the whole pre-war Bulgarian Budget. The War Ministry gets 13,000 million leva, but the conscript Labour Army, which builds fortifications and military installations, the Frontier Guards force—a huge army in itself—and the many other military and semi-military Communist organizations are not included in the War Ministry Budget. Nearly 38,000 million leva are allotted to 'social-cultural aims', a heading which includes all the Communist propaganda organizations as well as all schools and universities in the country. One commendable item in the Budget is the credit for the theatre, the opera, and the six symphonic orchestras—1,100 million leva, or nearly one-tenth of the credits for the War Ministry.

More significant are the figures on agriculture. The number of collective farms increased from 110 in 1948 to 1,601 in 1949, which points to a very quick tempo of collectivization, perhaps the quickest in Eastern Europe. Five hundred 'good party political workers' will be sent to the collective farms in order 'to strengthen their political and organizational activities'. All future work on the land and in agricultural science will be based 'on the great Michurin Lysenko principles', according to a Central Committee decree of 29 January 1950. Twenty directors of collective farms have been sent to work for one year on Soviet collective farms 'to gain experience'.

To sum up. The total destruction of the national leadership of the Bulgarian Communist Party in the past year shows clearly that the Kremlin will not tolerate the slightest sign of independent action or independent thinking, even among the most loyal Communist leaders in the Soviet satellite States. Fearing a recurrence of the Tito disease behind the Iron Curtain, the Soviets do not hesitate to annihilate any potentially dangerous Communist leader, without regard for his position, prestige, past record, or devotion to the Communist cause. The purges of the satellite Communist parties are directed from Moscow. They are conducted with a ruthlessness and cruelty which surpass even the ferocious Communist terror tactics used before 1949 in the liquidation of the democratic, non-Communist, political, and religious leaders of Eastern Europe.

M. P.

Finnish Outlook

The Sicilian peasants who inhabit the fertile slopes of Mount Etna have long since been inured to the threat of natural forces which may break loose and overwhelm them, or at the best drive them from their villages as homeless refugees. It may seem a far cry from the volcanic regions of the Mediterranean to Finland, in north-eastern Europe, where no such elemental force has manifested itself in historic times. Yet the position of a small independent nation on the borders of an aggressive totalitarian State, whose unknown future intentions present a menace to the world at large, forms a close analogy. But for Finland and other countries similarly situated, there is not only the constant threat: there are also moments of acute and foreseeable danger, of which their populations are fully conscious in a manner mercifully withheld from those exposed merely to the whims of nature. These moments of anxiety occur from time to time, whenever democratic practice demands the periodical holding of an election or the reconstruction of a Government responsible to the people. Such occasions offer opportunities for concealed interference and external pressure which are less easily exercised at other times.

When, therefore, at the beginning of March Mr Juho Kusti Paasikivi entered on his second term of office as President of the Republic, and the Government was reconstructed about three weeks later under the Premiership of Mr Urho Kekkonen, the Agrarian Party leader, the event marked a significant stage along the hard and difficult road of post-war Finnish political development Even the manner of the President's re-election bore evidence of a return to more settled conditions and the resumption of established practices. This is in fact the first time since President Kallio's election, in 1937, that the election procedure laid down in the Constitution has been fully observed and the people have had an opportunity to express their views in the selection of the Head of State.

The new Government, which at the time of writing has only just assumed office, is composed mainly of Ministers drawn from the Agrarian Party, though it includes a few members of the Swedish People's Party and the Progressives. But we are here primarily concerned with what might be termed the period of democratic reconstruction, from July 1948 to the present time. During that period the outgoing Social Democratic Government,

under Mr K. A. Fagerholm, rendered Finland signal service indeed, it did not alone secure the country's future as a free democratic State.

During the war the Finnish Diet often found itself in a pos where it was without any real power to influence the tren events, and many of its members in their frustration felt that it degenerating into little more than a rubber stamp for the acts decisions of the administration. All this was perhaps made in able by the war, and the Finnish legislature was certainly no only popularly elected assembly in the world to experience restriction of its rights and privileges. In Finland, however, period of constraint was prolonged for three years after the wa the presence in Helsinki of the Allied Control Commission. I as late as the spring of 1948, an unpopular Government was to continue in office for several weeks after it had clearly forf the confidence of the majority in the Diet.

THE ACHIEVEMENT OF THE FAGERHOLM ADMINISTRATIO

The turning point was reached at the last General Electio July 1948. Since that time the Diet has again fully regained position which is its due as the assembly representing the sover will of the people. Though the 1948 Election produced no l slide, it showed a clear swing in opinion away from the extr Left. The Communist-dominated Democratic Union (SKDL) 11 of its 49 seats, and at the same time the Agrarian Party, 56 seats, became the largest single group in the Diet, clo followed by the Social Democrats with 54 seats.[1] The right-w Unionists increased their representation from 29 to 33 seats, w the Swedish People's Party retained its 14 members and t of the tiny Progressive Party were reduced from 9 to 5. inter-party negotiations which preceded the reconstruction of Government were protracted. The Communists favoured the c tinuation of the so-called 'Red-Green' coalition between th selves and the Agrarians and Social Democrats. Despite their de at the polls they insisted upon retaining practically all the off they held in the previous Government, and laid special claim to Ministry of the Interior and other key posts. The other pa were totally unable to concede these demands, and in the end so thing of a surprise solution was found. Mr K. A. Fagerholm, leader of the Social Democrats, announced that he had form

[1] In December 1949 one Communist member went over to the Social De crats, giving them a present strength of 55, against 37 for the Democratic U

minority Government composed exclusively of members from his own party, with the sole exception of the non-party Foreign Minister, Mr C. Enckell.

At the outset the new Government's position seemed very precarious. The Social Democrats, alone, constituted no more than one-quarter of the total membership of the Chamber, and the Government would, accordingly, have to be sustained in office by the support, or at least the benevolent neutrality, of other groups. It was hard to see from where this support would be derived. The Agrarian Party, as the largest single group in the Diet, felt slighted at its exclusion from ministerial office, and the Democratic Union was openly hostile. Many observers predicted the early defeat and fall of Mr Fagerholm's administration. In actual fact his position was a good deal stronger than it seemed at first glance, and by skilful and judicious handling of a delicate position the Prime Minister remained in office until a few weeks ago, when, as required by the Constitution, he tendered the resignation of the Government to the re-elected President. During the seventeen months preceding its resignation the Government received the tacit and sometimes tempered support of the Unionists and most of the Swedish and Progressive Party members, which, in critical situations, gave it the bare majority required for its survival. In securing this vitally necessary support Mr Fagerholm was aided by one exceedingly important fact. Practically all the other parties, with the possible exception of the Agrarians, were in silent agreement on the national importance of keeping the Communists out of office, once their exclusion had been secured after the long frustration and mismanagement of Mr Mauno Pekkala's Government from 1946–48. But for this consideration the minority Social Democratic Ministry could not have survived for more than a few months.

When Mr Fagerholm first assumed office he found himself confronted with a number of exceedingly difficult problems. The cost of living was steadily rising under a strong inflationary pressure which threatened to destroy such confidence in the currency as still remained. During Mr Pekkala's Premiership, his Communist Minister of the Interior and party friend, Mr Yrjö Leino, had been permitted to establish a Secret Political Police (VALPO), which, though admittedly clumsy and amateurish, was spreading fear and disquiet among the population. The new Government set out with the intent to remedy these defects.

The inflationary pressure was greatly reduced by an agreement

between the Government and the Central Federation of T
Unions (SAK) under which no further general wage incr
were to be granted. Certain adjustments in the upward dire
were, however, to be allowed for particularly poorly paid categ
of workers. A sliding scale for wages, tied to the cost of li
index, was also introduced, under which arrangement compe
tion, in the form of increased earnings, became payable only af
rise of five points in the index. By various means the Governm
contrived, with singular success, to prevent rises above the cr
level. Larger quantities of goods were made available, and, wh
ever possible, rationing was discontinued. The release of mea
to a temporary rise in prices, but after a few weeks they bega
fall. In fact, the supply position, particularly for food, impr
rapidly during 1948–49, though it is only fair to add that the
provement had already become noticeable in 1947.

In order to deal with the Secret Police (VALPO) the Gov
ment appointed a special commission of investigation, w
report was to be made public. This report revealed a fant
state of affairs. The vast majority of officers in the force were to
unqualified for the positions they held, and many were unab
meet the educational requirements stipulated in the regulati
Several had criminal records, including a former murd
Practically all had been recruited because of their personal al
ance to the Communist Party. The directives issued by
Ministry of the Interior to the State Police were hardly less s
ling. Officers were enjoined to concentrate their efforts on the
veillance of the opponents of the Communists, the Unionist Y
Organization and certain sections of the Social Democratic P
being singled out for special attention. A number of Diet meml
and even certain Ministers of the Coalition Government, had l
systematically shadowed, their movements and contacts repo
and their private telephones tapped. These revelations came
severe shock to the nation, and, armed with this overwhelr
evidence against the Communists, the Government move
bill abolishing this nefarious organization. It was passed by
Diet, with the Democratic Union members as the only dissen
Shortly afterwards the Secret Police was disbanded.

If by its economic and political measures the Government
ceeded in gaining the confidence and approval of wide sect
of the population normally far removed from the Socialist
their political sympathies, there were others who were less s

fied. The disappointment of the Agrarian Party leaders at the time of the Government's formation has already been mentioned. As the months passed without appearing to bring nearer the day when the Agrarians would again share in the rewards of office, this seething discontent, nourished by thwarted ambition and centred round Mr Urho Kekkonen, the leader of the party, crystallized into open parliamentary opposition to Mr Fagerholm and his Government.

The first serious attack was launched in February 1949, and even members of the Agrarian Party itself were a little hesitant about how far it would be wise to proceed. However, as the subject chosen for the debate concerned the allegedly disastrous economic position of Finnish agriculture, the party leaders no doubt felt that they could count on the loyal support of their rank and file. At the end of a two-day debate a vote of censure was moved. With the support of the smaller parties the Government won the division by only two votes, the Democratic Union supporting the Agrarians. A similar crisis arose later in the year, over the Government's unemployment policy, again with the Agrarians as prime movers and with the Communists in gleeful and expectant support. Again the Government escaped defeat by a hair's breadth.

It is perhaps not altogether surprising in the circumstances that the reputation and standing of the Agrarian Party should have suffered somewhat in the eyes of their countrymen as a result of these dubious manoeuvres. In fact, the party has not altogether escaped the suspicion that it might in certain instances be prepared to share governmental responsibility with the Communists, a suspicion which prompted political wags to refer to 'Kekkoslovakia'—a country in which they imagine the Agrarian leader as a kind of Finnish Fierlinger. To do them justice, it must be stressed that to the vast majority of farmers the idea of co-operation with the Communists is absolute anathema, and it is doubtful whether they would continue to support a party which initiated such a policy. Nevertheless, it is equally true that the Communists were well content to let the Agrarian Party carry the ball in the parliamentary opposition, and instead concentrate their energies in other directions.

THE COMMUNIST FAILURE IN THE TRADE UNIONS

Their main effort was made among the organized workers, and in the 'battle for the unions' which ensued the whole trade union

movement was brought perilously close to complete disin
At the beginning of last year, the Communists dominat
of a total of thirty-eight unions affiliated to the Central I
(SAK), including the Transport Workers' and Forest an
Workers' Unions. Both occupied positions of considerab
ance for the national economy. The Communist Party
aware that it was steadily losing ground to the Social I
even in the ranks of organized labour, and these fears
confirmed later in the year when the Communists had
quish control over the Textile Workers' and Paper
Unions. They may therefore have decided to strike w
prospect of success still remained, rather than wait and
witness the further depletion of their supporters.

Preparations for a large-scale strike were begun in tl
with the object of bringing about such extensive econ
location as to force the Government to resign. In the lat
the opportunity presented itself in the form of a local s
the town of Kemi, in the timber district of northern Fin
workers had a real grievance in the arbitrary reduction of
forced by a short-sighted management, and tempers ran
clash with the police one striker was killed and others
and this became the signal for the Communist offensive.
issued orders for a general strike throughout the countr
Communist unions obeyed the summons, despite orde
contrary from the Central Trade Union Federation. H
soon became evident that the response was only partial,
time did more than 30,000 workers down tools. The Co
had counted on the participation of at least 120,000 or
day. Police and military, ordered to stand by, were suc
preventing further outbreaks of violence, and after a fe
unrest the movement petered out. The grand design of
munists had completely failed in its main purpose. As a
eight Communist-controlled unions were disaffiliated
Central Federation, though six were later readmitted af
assurances that they would in future abide by the statutes
The Communist vice-chairman of the Federation, M
Tattari, was simultaneously dismissed from his post. Th
port Workers' and Forest and Floating Workers' Unio
ever, were refused re-affiliation.

The reasons for the failure are not far to seek. In com
their French comrades, the Finnish Communists had co

over-played the strike weapon during the eighteen months preceding the Kemi disturbances, and, at a period when unemployment was again making its appearance, most workers were extremely reluctant to risk their jobs in a purely political trial of strength. Even in its initial stages the campaign was recognized for what it was, thanks largely to the work of enlightenment conducted by the Trade Union Federation, and perhaps to an even greater extent by the Social Democratic Party and its press. The other political parties, including the Agrarians, rallied round the President and the Government in their endeavours to secure law and order. In retrospect it is difficult not to marvel at the extraordinary ineptitude and shortsightedness displayed by the Communist leadership in ordering the strike. They either grossly overestimated their following among trade unionists, or else they obeyed instructions from abroad, against their own better judgement. Whatever the case may have been, it is certain that the failure of the strike offensive, and the consequent setback suffered by the Communists in the unions, represent a major victory for the forces of democracy in Finland.

Unfortunately a certain danger is inherent in this very success. The Communists' penetration of the organs of administration, effected during the period of the Coalition Government, has by now been largely neutralized; their opposition in the Diet has been futile, and their agitation among the organized workers at least a partial failure. What unexplored avenues of approach remain open to them? The answer would appear to be—none. In this impasse the Communist leaders may be tempted to resort to subversive action, or, what is perhaps more likely, to hope that the Soviet Union will pull the chestnuts out of the fire for them. For the moment, at any rate, there is fortunately little evidence to indicate that the Russians would consider it to be in their interest to intervene openly in the internal affairs of Finland.

THE PRESIDENTIAL ELECTION

Preparations for the recent Presidential Election were begun during last summer. The stature and reputation attained by Mr Paasikivi during the period since the Armistice of 1944 led to a widespread desire to see him re-elected for a second term of six years. Despite his great age—he will be seventy-nine this year—the President agreed to serve 'providing that it was the wish of sufficiently broad sections of the nation'. But the Agrarian Party

made its support for Mr Paasikivi conditional upon a wh unrelated and immediate reconstruction of the Government, the Democratic Union curtly refused its co-operation. Sho afterwards the Agrarians nominated Mr Kekkonen, and the De cratic Union Mr Pekkala, as their candidates for the Presiden The plan to secure the unopposed return of Mr Paasikivi, as 1946, was thus brought to nought. This was perhaps salutary constitutional development, as the war and the abnormal c ditions which followed it had for many years prevented the obse ance of the election procedure sanctioned by the Constituti For a young country like Finland, the avoidance of unnecess departures from constitutional practice is of some importan In the event, when the Election took place last February Paasikivi received the enthusiastic support of the Unionists a of the Swedish People's and Progressive Parties, and the m tempered backing of the Social Democrats, and thus gained an e victory over his opponents.

THE ECONOMIC POSITION

Economically, the last two years have been a period of consid able and sometimes even spectacular progress. The reconstructi of the war-devastated areas in the north has been nearly complet the evacuated population has been permanently resettled, a foreign trade has grown and expanded. Most important of reparations payments have been met on time, and now, out of total indemnity of 300 million dollars, only 43 million still remai to be paid during the period of 1950–52. In view of past Finni achievement this should not present too great a difficulty.

To replace sources of energy lost through cession of territo an ambitious programme of harnessing the water-power of t northern rivers was embarked upon after the war. The first of the new power stations has already been completed and taken into us and at the end of 1949 Finland's hydro-electrical generat capacity was estimated at some 570,000 kw.

The housing shortage in the towns, particularly in the capital, still acute, and to meet the growing demand the Government la year introduced a series of bills to promote house building in rur areas. Under the ARAVA bills, as they are known, an expenditu of 22 thousand million Finmarks (£34 million) is envisaged duri the period 1949–53. This should go far towards relieving t present disastrous position.

Nevertheless, Finland's economic difficulties have been and continue to be great. Rising production costs have probably been the country's greatest concern, and by last summer Finnish pulp and paper manufacturers found themselves totally unable to compete in the American market. At the beginning of July, therefore, the Finnish mark was devalued independently by about 17½ per cent, and again, at the time of the British devaluation, by a further 50 per cent, in relation to the U.S. dollar. The disadvantages caused by the two successive devaluations were in part offset by falling world prices for the more important Finnish purchases from abroad. Nevertheless the cost of living has risen to some extent, and last December the Government, under strong pressure from the trade unions, agreed to further wage increases. It is as yet too early to predict what the effect of this decision may be—increases of up to 7½ per cent have been sanctioned—but a further period of inflation is by no means ruled out.

Completion of reconstruction, together with a reduction in the demand for timber by pulp mills, resulted in some seasonal unemployment during the past two winters. In the winter of 1948–49 a peak figure of 51,000 unemployed was reached, which during last winter rose to over 80,000. So far the phenomenon has been localized, the main areas affected being round the towns of Kemi and Rovaniemi in northern Finland, and in the district of Kuopio in the east. On both occasions the Government and local authorities took energetic action and managed to provide relief work for the vast majority. But the absence of major industries in Finnish Lapland, where the population is almost wholly dependent on the forest and the land for its livelihood, makes the problem a long-term one which defies attempts at quick solution.

RELATIONS WITH THE U.S.S.R.

Overshadowing all other considerations is the question of relations with Russia. The policy formulated by Mr Paasikivi, based on loyal and punctilious observance of treaty obligations coupled with a sincere desire for mutual understanding, has won universal acceptance and approval in Finland. In return, the Finns expect nothing more than to be left in peace to manage their own internal affairs. But will this situation alone satisfy the Soviet Union in the long run, and is her present policy compatible with the existence of a small independent country along a section of her European frontier? Though only the future can supply a conclusive answer

to these questions, the Finns believe, and fervently hop long as the world is spared the horrors of another war th allowed to retain their independence.

Ultimately, however, Finland herself can do little or r influence world development. The actions of other Gov may well prove of greater importance than anything whi may not be done in Helsinki. It was for this reason that th tions for a Scandinavian defensive alliance between Norway, and Denmark, which took place early in 1(followed with keen interest and some anxiety in Finlanc the subsequent adherence of Norway and Denmark to th Treaty, the outcome of the negotiations was greeted wit of relief by the Finns. In fact, Prime Minister Fagerh publicly declared that Sweden's refusal to associate he the Treaty had been of the very greatest importance tc country, and he believed that even a purely Scandinavia without any wider implications, might have had far-rea incalculable consequences for Finland. In Stockholm t nouncements have been eagerly seized upon, and th fondly hope that these two northern countries might come to constitute a kind of buffer between East an something which has not elsewhere been achieved along length of the European border of the Soviet Empire.

Generally speaking, Finnish-Soviet relations have (reasonably smoothly during the past two years. It is, (true that the Finnish Communists have done their utmost Russian suspicions of the purpose and intent of their Government. The most fantastic stories of alleged breacl Peace Treaty by Finland have been circulated in Cc newspapers, and sedulously reproduced by the Soviet pr machine. But until recently the propaganda campaign wa on independently, and rather as a matter of routine, wit marked diplomatic or political pressure. Nor should it n be inferred that the recent Soviet Notes concerning the e of 'war criminals' were of more than purely tactical im with a strictly limited objective in view. That objective wa possible to influence, if perhaps not so much the resu Presidential Election itself, then the reconstruction of the ment which was to follow it, and which has only just b pleted. Here undoubtedly the aim of the Russians was at least some representation for the Finnish Communis

new Cabinet. In this they failed, though it is equally clear that their intention was to press the Finns only up to a point, and to relax pressure if really determined opposition was encountered. It is perhaps significant that President Paasikivi, as well as the new Prime Minister, during the initial negotiations preceding the reconstruction at least contemplated the inclusion of some members of the Democratic Union, but that this plan had to be abandoned in face of the united opposition of all democratic parties in the Diet. Mr Kekkonen, however, has at last attained the position he coveted for so long, and it is to be hoped that, with the greater parliamentary support which he commands, he will be able to continue on the course set by his predecessor.

M. E. R. L.

Dictatorship in Colombia

THE area of Colombia is estimated at 439,530 square miles and its population is probably more than 11 million. But the country's situation in the north-western corner of South America, its proximity to the Panama Canal, and its seaboards both on the Caribbean and the Pacific have given it a strategic importance disproportionate to its size. It is the natural gateway to the continent. Colombia's possession of frontiers with Ecuador, Peru, Brazil, and Venezuela and its position in relation to Central America have in the past underlined the importance of this republic as a stabilizing influence in Latin America. From the termination of the Civil 'War of the Thousand Days' in 1902 until the serious riots during the Ninth Inter-American Conference in 1948, Colombia enjoyed a period of political, social, and economic development which, though not entirely untroubled, was generally unmarred by the frequent and violent upheavals of so many Latin American countries in those years.

Until after the first World War, little change had taken place, either externally or internally, in the old political and economic structure of the country, and it remained to a high degree isolated

from the main stream of world affairs. Colombia was slo the age of nationalism. Then came the aeroplane, and establishment of a relatively complete network of air co tions had a striking effect upon Colombian life and thou few years it reduced the distance from the capital to th coast from an average of ten days by rail and river stean flying hours. It did much to solve the very acute transport of a country divided in the West by the three chains of t and made up in the East of a large area of plain and for of it still unexplored. It broke down the economic is many parts of the national territory, and opened up oth had hitherto been virtually inaccessible.

Colombia, because of its geographical formation, had a high degree of separatism in politics. The country was capital ten days remote from its most important port. Tra its frontiers was limited, and the majority of the people required to think politically beyond their immediate surr Illiterate peasants voted as their employers indicated, and standards of remuneration without being able to refer t in other parts even of their own country. With the com aeroplane and cheap and easy travel and the daily distrib national press, national and even international perspect possible. The putting into service of over one hundred fr for broadcasting brought the national politician into ev café and market square. A large proportion of the ir suddenly became the target for ideas beyond their full hension and for promises of material betterment in adva country's economic resources. The 'feudal' order was against, ideals were invoked, examples from other coun quoted, and new impetus was given to the Liberal party, first appeared in Colombia in the middle of the nineteent

THE POLITICAL BACKGROUND

Since 'The War of the Thousand Days', the Liberals in eclipse. The new political shape of the country and th awareness of its relation to the world picture brought thei into prominence once more. In 1930 the Liberal Presiden Olaya Herrera was returned to power when two candid the Conservative vote, which in aggregate considerably his own total. He successfully conducted a Coalition Go but during his administration his party grew in num

Liberals were again returned every four years until 1946. This party identified itself with the growing aspirations and political consciousness of the masses, with their demands for a better standard of living, with their new consciousness of their political importance; it opposed the active intervention of the Catholic Church in national politics and the feudal conditions prevailing on the large estates. In general, Liberalism was aware of the revolution which was every day gathering momentum, and believed that the upward pressure from below should not be suppressed by force, but controlled and instructed in its development. The Liberal administrations, particularly the two of President Alfonso López, were characterized by legislation guaranteeing minimum wages, by the definition of employers' responsibilities and liabilities for free medical services to their employees, and by the institution of pension schemes for certain classes of employees, and of the Cesantía, the payment of one month's salary for every year of service to a worker on leaving a post.

Even such legislation, considered by Conservatives as wrong in principle and crippling to the State and to business interests, was regarded as insufficient by a rapidly growing extremist wing of the Liberal party, led by the lawyer Jorge Eliécer Gaitán. A demagogue without a clearly defined policy, he soon became the leader of the Left Wing of the party and the most influential and significant figure to the masses. In the elections of 1946 he was presented as their candidate, while the Centre of the party put forward the moderate Gabriel Turbay. The split in a total Liberal vote of over 800,000 resulted in the election of the Conservative Mariano Ospina Pérez, who polled under half a million votes. The result of the 1930 election was reversed, in almost identical circumstances.

THE BOGOTÁ RIOTS OF 1948 AND THE SEQUEL

Ospina endeavoured to rule by a coalition, but this broke down in March 1948. Turbay, in the meantime, had died in Paris and Gaitán had become leader of the Liberal party. His sudden assassination on 9 April 1948 was the signal for a national outbreak of looting and rioting which reached its height in Bogotá, where the Ninth Inter-American Conference was sitting. Attacks on the Palace itself were beaten off with difficulty, some public buildings were burned, and also some buildings associated with the Conservative party, such as that of the newspaper *El Siglo* and the estate of the Conservative leader, Laureano Gómez. In general,

however, political motives were forgotten by the mob in the fir hours after the murder, and indiscriminate destruction and lootin were the order of the day, immense damage being done to th centre of Bogotá. The police of Bogotá joined with the mob, an it was several days before the armed forces rushed to the cit could restore order. The Directorate of the Liberals presente itself at the palace on the evening of 9 April with a demand for th President's resignation, which he steadfastly refused. After an al night debate, he compromised by forming a coalition Governme with Darío Echandía, Gaitán's natural successor, to head it a Minister of State, and with General Ocampo, a Liberal, as Ministe of War.

It is interesting to examine the elements in this dramatic dis turbance of Colombia's long period of internal peace. In the firs place, it seems certain that the assassination of Gaitán was private affair, unrelated to his position as a political leader of majority opposition party. Secondly, it seems equally certain tha he had planned to overthrow the Government in June 1948, an was receiving material assistance from the Venezuelan Govern ment Party, the *Acción Democrática*, to that end. It will be remem bered that between 1929 and 1936 the Venezuelan exiles i Barranquilla, then openly Communists, had planned the liberatio from 'feudalism' of the Caribbean countries, a term extended t cover Ecuador and Peru. Their plan had progressed satisfactorily and it was in accord with it that Colombia should be assisted t overthrow the Conservative minority in power. What little organi zation was discernible in the events of those days, notably th immediate seizure of the radio stations and some of the message and exhortations broadcast from them, is consonant with plan made for the June revolution which some of Gaitán's fellow conspirators tried unsuccessfully to put into operation after hi unexpected assassination. Though a certain number of Com munists from other Latin American countries were in Bogotá fo the Conference, and they and their Party were charged at firs with the organization of the rising, this theory is inconsistent wit all evidence and with the course of subsequent events.

It is more significant that the rising of the masses was no actuated only by rage at the death of the man they looked upon a their leader and saviour, and by the rumour that he had bee murdered by the Conservatives. The subsequent looting wa mainly the product of the unstable economic and social situation

ountry where comparatively few people were very wealthy, a middle class found itself increasingly embarrassed by the nually rising cost of living, and a large majority lived in condi- of poverty and even privation. Resentment of the large sums on the embellishment of the city for the Conference was ssed by the mob in the violent destruction of such emblems dornments as they could lay hands on. The life and goods of e whom Gaitán would have called an 'oligarch' were not Only the lack of leadership, the alcoholic excesses of the mob, rm stand taken by the President, and the loyalty of the army ed an overthrow of the Government. The events of April were fundamentally a rising of the masses, dissatisfied with lot and victims of leaders by whom they had for too long been d through doctrines above their standard of political education. further example of the country's abandonment of traditional ards is the markedly bitter anti-Church element in the riots. only in the capital but also in the interior, churches and y were the objects of attack. Churches, convents, ecclesiastical ges, and schools run by the Church were burned, and clergy seized, killed, and in some cases horribly mutilated. The days the isolated pueblo was submissive to the benign rule of the priest were over, and the Colombian Church paid dearly for tervention in politics on the side of the Conservatives and its nciations of Liberalism from the pulpits.

army reinforced by the calling-up of reservists restored , though it was not until the end of the year that martial law epealed. The Coalition, which consisted of an equal number nservative and Liberal Ministers, functioned at first fairly in the face of a situation which both parties realized to be a nal emergency. But this situation rapidly deteriorated. Liberal nds increased, and the extremists among the Conservatives nued to oppose collaboration with their opponents. In April the Liberals resigned from the Cabinet in a body and were ced by Conservatives, among them several soldiers. The al Provincial Governors were removed, and stories of terror ppression in the provinces were widespread. Though a large nt of exaggeration by both parties must be discounted, it is that a foundation of fact existed, and that armed clashes and cal murders were in effect taking place. Abuse of power for cal ends by local officials also occurred, and the Liberals ly denounced a 'Reign of Terror'.

Following these attempts at repression, and in spite of all Conservative efforts, the June elections for Congress again showed a Liberal majority in both houses, and, in the face of what they felt to be an increasingly dangerous situation, this Liberal majority pushed through a decree advancing the date of the Presidential election from May 1950 to November 1949. This measure was passed over President Ospina's veto and upheld by the Supreme Court. The Liberals then decided to impeach the President and asked him for guarantees of law and order while they did so, whereupon he proclaimed martial law and suspended Congress. Claiming that elections would be a mere farce under these circumstances, and in face of such disadvantages as legal prohibition of meetings and censorship of press and radio, the Liberals withdrew their candidate, Echandía, and Laureano Gómez was returned with a vote claimed to total one million. Significant incidents were the fatal shooting affair in the Chamber during a debate on the advancing of the election date, and the death of Echandía's brother when troops opened fire on a group of Liberals in the streets of Bogotá.

THE DICTATORSHIP OF LAUREANO GÓMEZ

Laureano Gómez will take over the Presidency in August this year. He is an extreme Right-wing Conservative, and has long been the most powerful man of the party. He is hated by the Liberals, and would have had short shrift if the mob had been able to lay hands on him after Gaitán's murder. But he fled to Spain, and returned to his own country after nearly a year's voluntary exile. During the last war he openly admired Hitler and Mussolini. His present model appears to be Franco, whose régime and methods he would like to imitate. It is significant that already this year the Colombian Legation in Madrid has been raised to the rank of an Embassy. At home, military law continues, Congress is in arbitrary suspension, censorship of press and radio are in full operation, and Colombia would appear to have fallen completely into the hands of a reactionary dictatorship. The swing to the Right has been completed in two stages since 1946.

It is in these terms that the press of the United States has already reacted towards this situation in a country so near the Panama Canal, and remembers that Gómez has consistently opposed 'Yankee imperialism'. The conclusion drawn is that the country which has been for so long the model of a democracy in

Latin America has become a Fascist dictatorship, and that the reaction from democracy in that part of the world is given further impetus. This is the gist of a recently-published manifesto signed by four Liberal ex-Presidents and by a large number of leading Liberals. They complain of persecution, suppression of freedom, illegal arrests, and judicial torture—in effect, the deterioration of their country into yet another 'Falangist dictatorship'. The reprinting of this manifesto in Paris, as part of the first number of a leaflet entitled *Free Colombia*, is certainly a measure of the degree to which the country now conforms to so much of the general Latin American picture today. For the first time in many years Colombians figure among political refugees abroad.

Yet reaction was probably inevitable. It did not come so much by a seizure of power, but as the result of the Liberal Directorate's consistent sabotage of President Ospina's attempts to rule by coalition, and of their mishandling and misjudgment of the political situation last year. They played into the hands of the extremist Conservatives, and it is certain now that their rumoured desire to accept a coalition again will be firmly refused by the new administration. Gómez has declared his intention to maintain law and order, to encourage industry and trade, and to try and attract the foreign investment which is so badly needed. The present position in Colombia may be examined in the light of this declaration.

Gomez is entirely dependent upon the loyalty of the Army to keep the peace and maintain order. Twice in two years it has had to take over power and uphold the Government by force. Traditionally, the Colombian Army does not intervene in politics, though it is probable that its sympathies are in the main Liberal. The High Command has been purged of officers who might be dangerous, and it is most unlikely that a split in its numbers—with Civil War as a consequence—will occur.

ECONOMIC AND SOCIAL CONSIDERATIONS

The maintenance of law and order by strong measures is fundamental to Gómez's second declared aim, and will win him strong support not only from the large capitalists but from the lower ranks of trade and industry. All branches have suffered during the last two years, and it is significant that the Bourse rallied immediately the results of the Presidential Elections were known. In the immediate post-war years, and in spite of selective restrictions to discourage an increase in the import of consumer goods and non-

essentials, the value of imports has increased more rapidly the value of exports. The resources of gold and foreign exch accumulated during the war years have steadily drained a Efforts to develop natural resources, and to establish industri the manufacture of goods otherwise imported, have been ham by the difficulty of obtaining the necessary materials and from abroad. In spite of increased industrialization and the to the towns, three-quarters of the total population is still eng in agricultural and pastoral occupations. Coffee constitutes 7 cent of the total exports by value, and the United States bu to 90 per cent of the total crop. A long time must elapse befor country can be free from its dependence upon 'the Ame market', which still purchases 82 per cent of her total exports

Dependence in external trade upon North America is fu underlined by the import figures, and these may be quote relation to the United Kingdom's share in Colombian trade 1938 the United States supplied 49·9 per cent by value of Co bia's imports, Germany 17·4, the United Kingdom 11·1, Canada 1·7 per cent. In 1946, when Germany had fallen out share of the United States had risen to 67·9, and that of Ca to 3·5 per cent, while the United Kingdom supplied only per cent.

Meanwhile it is remarkable that the Conservative administra of Ospina has been characterized by further concessions to workers at the expense of employers. Social services have been further extended, a compulsory profit-sharing scheme for enterprises of any size was enacted, a National Health Schem also compulsory—has come into being, the employer, the emplo and the State each contributing their quota, and such meas as the compulsory provision by the employer of two pair shoes per year to workers in the lowest wage groups have b passed. Since the election of Gómez, an increase of the minim wage to two Peros per day, with proportionate increases thro out the wage scale, has been decreed. Although the scheme compulsory profit-sharing has been abandoned as too difficul operate, an arbitrary award of an annual bonus of one mon salary to every employee of a profit-sharing concern has been m Up to the present, in short, the new administration is contin the Liberal policy of concessions to the worker; but these cessions weigh heavily on the national economy and act as str deterrents to private enterprise.

This applies also to the President's third aim. The inflationary tendencies which such concessions are designed to meet, the cost to the employer of wage increases and other social services, the complicated controls governing the export of any profits, and the general lack of guarantees are discouraging to foreign investment at the present time. To take one example only, petroleum exports, which in 1946 represented in value about 12 per cent of the country's total exports, are steady at the moment, but the companies are limiting their commitments and even reducing their investments wherever possible. The biggest operator has given notice that it will not ask for a renewal of Colombia's largest concession when this lapses in 1951. Lack of adequate legislation to control but protect the petroleum industry, and the frequency of labour disputes, have combined with increasing cost of production to discourage further exploitation. The tendency for this industry to become a political stalking horse of both parties has also helped towards the adoption of a policy of retrenchment. In general, therefore, Gómez must begin by checking the withdrawal and then offer to much-needed foreign capital the guarantees which are lacking at the moment. It may be noted in passing that of the total £18·3 million which Britain has invested in Colombia, £14·6 million is invested in oil development; loans, gold mining, banking, and railways account for the balance.

Against this immediate background, the main problems facing the new reactionary régime remain those of any country which has been thrust into the world too early. Colombia is learning that democracy is not achieved by the signing of a decree. It is learning that in the world today a society composed of a large majority of uneducated and underprivileged cannot maintain itself by a continued policy of misguided material concessions on the one hand, and unrealistic political and economic theory on the other. It has recoiled into the employment of methods of dictatorship. Democracy by decree in Colombia has suffered a severe setback, but eventually democratic government may yet emerge on a stronger and more realistic basis of political and economic maturity.

W. O. G.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSH

THE WORLD TODAY

Volume VI No. 6 June 1950

*

Notes of the Month

n International Coal and Steel Authority: the Schuman Proposal

THE first response to the offer of Marshall aid in 1947 was the eport of the Committee of European Economic Co-operation, hich outlined the joint programme for which Mr Marshall ked. The Report did not go very far towards constructing ans for co-operation, but the steel industry was one of its incipal topics, and as 'the building of new iron and steel-making ipacity is a major operation', there was to be 'interchange of iformation by the steel-producing countries about their pro-ammes of modernization and extension, so that each country, in eveloping its programme, may take account of the plans made by ie others'.

American opinion, ever since, has laid stress on the need for onomic co-operation, or indeed for economic 'integration' in Vestern Europe, and the nations participating in Marshall aid ave made efforts in several directions towards promoting that end. ome disappointment was felt when the Economic Commission or Europe produced a Report on European Steel Trends in December 1949, which estimated that by 1953 the aggregate apacity of the European steel industries would exceed the prob-ble demand, export as well as home, by some 8,000,000 tons a ear. The estimates of demand were, no doubt, very conjectural, ut it was only too evident that countries receiving Marshall aid ad not, in this case, been guided by any co-operative calculation t all. A move towards co-operation among the steel industries eemed to be overdue.

And the question came up in another connection. The great erman armament industries have been suppressed, and it was at irst proposed to curtail Germany's war potential by imposing a ery low limit on her steel output. When it was seen that a paralys-

ing restriction would thereby be put upon the multifario
using industries of Europe, which are essential to reconst
the limit was extended, and in April 1949 an Inter
Authority was set up to regulate the distribution of the co
and steel produced by the Ruhr district as between e
'countries co-operating in the common economic good',
essential needs of Germany'.

The aspiration of a Western European Union to
Germany has appealed to many, especially in France, as
the best hope of appeasing once and for all the feud wh
divided France and Germany since 1870. An internatior
trol imposed from outside on the German coal and steel in
is in conflict with this aspiration, and can best be reconcilec
if the Ruhr Authority is merged in a wider authority re
those industries in the other countries concerned.

On 9 May M. Schuman surprised the world with a prop
putting under a common authority the coal and steel indu
France and Germany, and of whatever other countries w
willing to join with them. The mission of the common a
would be to press forward the modernization and improve
these industries, to ensure the supply of their products on i
terms to all the participating countries, to develop a joint
trade to outside countries, and to level up the standard of l
those employed in the industries. There would be a p
nationalizing the industries and for providing the requisite

As between the participating countries, coal and steel w
free of all customs duties, and would not be subject to diff
transport charges. The principles of the scheme would
bodied in a treaty negotiated by Governments and rati
Parliaments, and there would be an independent arbitrato
that the measures taken to put the scheme into operation c
to the principles. The authority to be appointed would b
posed of independent persons chosen by the participating G
ments, with a chairman agreed upon by the Governments.

It is hardly necessary to point out that so far-reaching
posal will encounter many difficulties. How is an autho
'independent' persons to be constituted to which Great
would be willing to surrender control of its coal industr
countries which produce little or no coal or steel to be adr
Is the exception involved to most-favoured-nation treatmen
allowed?

M. Schuman claims that war between France and Germany presumably between any two of the participating countries) uld become impossible. Does he mean that for the purpose of naments the participating countries will become a single power? so, the proposal is not merely for industrial rationalization; it is political federation.

e Economic Position of Spain

RETURNING to Spain after an interval of two years, one finds it there has been little fundamental change in the situation, hough many of the old problems present themselves in more ite form. For instance, the striking gap between wages and prices increased still further, for in a country where strikes are illegal, ge increases have been few, steel workers, bank clerks, and rail-y employees being among the fortunate exceptions. Meanwhile cost of living has increased inexorably. For example, railway ssenger fares have recently risen by 40 per cent, freight charges 60 per cent, and there has been an increase of about 50 per cent the price of steel products. Although the black market prices Madrid of some staple items of diet such as bread and rice do t show an increase over those of April 1948, others, such as olive , have risen, and this rise is reflected in the increase in hotel arges. The Government has recently experimented in decon-lling potatoes with the result that they have fallen in price. The ccess of this measure may herald similar steps with other com-odities.

Despite some talk of reductions in the Army, expenditure on all ree Services and on the Ministry of the Interior, which controls e various branches of Police, has in fact risen. In 1948 it was per cent of the total Budget, while for the current year it has en to 55 per cent. (Agriculture, which is Spain's most important lustry, was allotted only 1 per cent.) Again, instead of concen-ting on the building of low rent flats, of which the shortage ems even worse in Madrid than in London, the vast majority of ilding effort is at present spent on palatial Government offices, pressive public buildings, and luxury flats. With the steadily creasing population, which has risen by about 11.5 per cent ice 1940, this problem is bound to grow worse unless adequate easures are taken.

Fertilizers, so essential to Spain's agriculture, are still desper-ely short. In the province of Valencia, one can see large areas of

orange trees left to perish from blight which has attacked th because of lack of proper nourishment. Valencian farmer send lorries full of scarce locally-grown rice as far as the c provinces in order to secure fertilizers on a barter basis fro farmers there. Plans are on foot for the home manufactu nitrogenous fertilizers in which it is hoped to make Spair supporting in about six years' time. Meanwhile, sulpha ammonia is in shortest supply.

Although the whole transport system, including roads, pe ent way, and rolling stock is still in as much need of re-equi as ever, there are many new lorries to be seen of British, Ame and Spanish manufacture. Moreover, owing to the gra improving world supply, there has been a steady trickle of in of rolling-stock; although quite inadequate, it is at least a b ning. Industry is still crippled by lack of raw materials (pa larly steel) and machinery, and also by shortage of powe though there may be temporary improvements in the situation, which is dependent on the state of Spain's river extent of de-afforestation and soil erosion is such that there little reason why the series of droughts that have visite country in recent years should be checked, unless ade measures of re-afforestation are taken. These droughts hav had a serious effect on agricultural productions. Private inc has further to contend with the grasping tentacles of the Go ment-sponsored Instituto Nacional de Industria. Orig planned to provide Government capital in undertakings of na importance, it has considerably extended its activities and i position to help itself to the lion's share of raw material equipment, to the detriment of private industry. Its latest pr include the fertilizer plant already mentioned, a steel wor Asturias, and an oil refinery in Cartagena.

Spain has had no extensive foreign help, as we have ha assist her recovery from a crippling civil war. This fact an extent of her yearly spending on unproductive items make survival of her economy seem little short of a miracle. An in tion of the present unsound position of Spain's economy i over-valued peseta. The official tourist rate of exchange present 70 pesetas to the pound sterling, but in Tangier the p at the end of May was fetching 150 pesetas on the black ma But such are her powers of endurance that there is little doub she could continue on a siege basis indefinitely. Yet Spai

gently needs a large United States loan of about $1,500 million. The climate of opinion in the United States has been slowly moving in Franco's favour, and Spain has already received several small loans from private United States banks but was obliged to offer gold as security. Her gold reserves have now dwindled to little over $40 million and she has therefore no gold security to offer against a large loan. It is often said that Stalin is Franco's best friend and Spain's strategic importance is at present her greatest asset. Although burnt fingers in China have made the Americans cautious, it appears that if Franco were prepared to accept United States conditions, a substantial loan would be made available in some form. The minimum economic conditions imposed by the United States would probably be supervision of the spending and repayment of the loan, abandonment of the chaotic differential peseta rate, decentralization, and less State interference in industry. Although Franco is an obstinate man, there have recently been signs of slight yielding. At the beginning of May the Minister of Industry welcomed investment of foreign capital, hitherto limited to 25 per cent, and the employment of foreign technicians, and he gave a promise, hedged with qualifications, that transfer of dividends and capital repayment would be allowed in the currency of origin. Meanwhile, Spain has approached the Export-Import Bank for loans amounting to $50 million for various specific projects. This piecemeal method of approach would not be necessary were Franco willing to accept conditions for a larger loan. He is now more secure than ever, active opposition to him having to all intents and purposes ceased to exist, and could well afford to make concessions. Although a large proportion of any United States loan would probably find its way to the pockets of those who have already enriched themselves under the regime, the Spanish people as a whole would be bound to benefit as well. The dire poverty to be seen in Spain today could therefore be alleviated were Franco willing to accept the conditions of a United States loan.

The Union of Arab Palestine and Jordan

SINCE the French Revolution, and especially since 1914, western secularism has operated in the Middle East, dismissing the crumbling institutions which it found there as valueless. The resulting confusion now exacts its penalties.

The union of what remains of Arab Palestine with the Kingdom

of the Jordan was unanimously approved on 24 April b
Jordan Assembly newly elected from both those territori
defiance of the Arab League. On the 27th the British Goverr
announced their recognition of this act, and at the same time
de jure recognition of the State of Israel. There were three q
cations:

1. The recognition applied to the present Israel-Jordan ar ice, or to any modification to which those two States subsequently agree.
2. As the status of Jerusalem was still under consideratio the U.N. Britain recognized only the *de facto* author Israel and Jordan in those areas of the Holy City respec occupied by them.
3. The British Government regarded the Anglo-Jordan T of Alliance (i.e., its mutual security provisions) as appli to all the territory included in the new union, but ha intention of requesting the establishment of military ba peace-time in the remnant of Arab Palestine.

Confronted by this *fait accompli*, the Arab League continu descend its spiral of nihilism. In a regrettably 'hectoring' s Nahhas Pasha moved the expulsion of Jordan and had the matic support of the anti-Hashimi faction—Saudi Arabia, S and Lebanon. But the resolution failed to secure the nec unanimity, since Iraq and the Yemen called for an adjourn for not more than a month. Meanwhile, United States and B efforts to effect a *détente* between the League and Israel caused Azzam Pasha and others to denounce the 'unholy' all of the West with the 'dark forces of reaction'; and the S Minister of National Economy (engaged simultaneously i economic war with Lebanon) has 'confirmed' that negotiation well advanced for a Syrian economic agreement and frien pact with the U.S.S.R., and that a Soviet arms-offer is 'ea welcomed'. The Middle East 'experts' are no doubt busy asse whether the bluff-and-bluster content of these statemen higher or lower than the usual 75 per cent.

The *Zionist Review* has dismissed Britain's *de jure* recogn of Israel as 'whimsical' and 'casual', since the extension o Anglo-Jordan Alliance to the remnant of Arab Palestine is a c to Israel's barely-concealed appetite for additional territory. H the Israel Foreign Ministry received with 'marked coldness' Churchill's suggestion that Britain should seek to bring tog

King Abdullah and President Weizmann, and stated that it would not negotiate in the presence of a third party. It further complained that British arms-supplies to the Arab States were 'enough to upset the balance of power', to which the British Foreign Office replied that the complaint was 'exaggerated, and in some cases grossly exaggerated'. *The Times* Tel Aviv correspondent has commented: 'Israel desperately needs peace in the Near East, but on its own terms. . . In Israeli eyes Britain is still an enemy.' Meanwhile, faced with an economic problem 'sufficiently overwhelming to terrify most finance ministers', Premier Ben Gurion's attempts to broaden the basis of his Government, both on the Left (Mapam) and the Right Centre (General Zionists), have broken down.

The Turkish General Election

THE Turkish Republic arose phoenix-like from the ashes of the Ottoman Empire through the energies of that remarkable man Mustafa Kemal Atatürk and his devoted collaborators. Their plans for the rapid transformation of a decayed multi-national feudal monarchy, whose economy was largely controlled by non-Turkish entrepreneurs, into a national secular republic with an indigenous industrialized economy, could probably not have begun to be realized except under a totalitarian regime.

Nevertheless, Atatürk saw the advantages of the parliamentary system. He once tried to implant an Opposition to his People's Party into the National Assembly in order to promote freer discussion; but the artificial experiment came too soon for a people with a confirmed tendency to military discipline and obedience. The passage of time has made the disadvantages of an unchanging one-party government ever more apparent, and the economic stresses of the Second World War particularly revealed the rigidity and inefficiency of the State monopolies created by the early Republic as the only immediate alternative to the foreign enterprises which Atatürk had expropriated. A new generation eager for constitutional advances was growing up, and at the end of 1945, as the Government relaxed their war-time security controls, a new Democratic Party broke away from the People's Party with a programme of greater individual initiative, especially in the economic sphere. A general election was held in 1946: but although the Democrats' foreign policy was no less patriotic than that of the Government, the latter, harassed by the war of nerves which the U.S.S.R. was waging from the Balkans to the borders of India,

decided that this was no time to risk a change. They ex
powerful influence through the local officials to ensu
electoral victory, conceding the frustrated Oppositio
per cent of the seats, so that they were reduced to boyc

Meanwhile, the continued pressure of the Opposition *inely representative institutions coincided with the* American influence arising out of the granting of 'Tru in 1947. The Americans have found uncongenial both representative character of the Government and its h upon the national economy. Hence, while the passing electoral law undoubtedly reflected Atatürk's policy, it been hastened by the presence of the Americans. The held under that law on 14 May have resulted in a lands Democrats, who secured 88 per cent of the seats.

Thus a dictatorship has been gradually and peacef alized, and the people have emphatically voted for the twenty-seven-year-old regime. The example may h eventual effect in neighbouring countries, which ha discipline without freedom, or freedom without disc neither. No marked change in Turkey's external relatio expected. Internally, while the permanent effect of the likely to be healthy, the inexperience of the Democrats with the likelihood of a bureaucratic purge, may ca temporary unsettlement in an economic situation which causing anxiety. The prospects will be studied at greater a forthcoming issue.

The Chinese Revolution

'New Democracy' and Imperial Tradition

WESTERN Europeans, living at a great distance from the scene, find it difficult to assess the significance of the recent revolution in China. Either it is accepted as a vast expansion of Russian authority, China being regarded as no less a satellite State than Rumania, or it is held that the Chinese can never become Communists, and that beneath the surface manifestations of Communism there must continue the old inveterate traits of Chinese society as known in the past—corruption, inefficiency and an easy-going tolerance.

After living for a year in Peking, the Communist capital, it is possible to arrive at conclusions somewhat at variance with either of these judgments. While the evidences of close collaboration with Russia are patent and numerous, there are many distinctive characteristics which make the Chinese Communist revolution a new phenomenon. Its past history and present practice differ profoundly from the experience of Russia and the Eastern European States; on these analogies its future development cannot therefore be easily predicted.

RUSSIAN AND CHINESE COMMUNISM COMPARED

Examining the first view of the Chinese Revolution, one must first consider how far the course of events resembles that in Eastern Europe, and in what degree the Chinese Communists have made Russia their model. Unlike the revolutions in Russia and in post-war eastern Europe, the Chinese Communist movement had a long history of internal strife and civil war behind it when it at last attained supreme power in the State. Mao Tse-tung and his companions were not pitchforked into power overnight by a sudden political convulsion, or foisted into authority by the arrival of the Red Army. Peking was captured in February 1949 and the new Government formally established there in October of that year; but for twenty years the Chinese Communist Party had been an independent rebel movement, governing its own, at first restricted, territory and commanding its own armed forces. Mao and his followers came at last to power as experienced men well versed in politics and war, tempered by a long and hard struggle. This is in itself the first cardinal difference between China and Eastern Europe; Mao Tse-tung has been Chairman of the Chinese Com-

munist Party as long, or longer, than Stalin has been at the
the Russian State.

Secondly, the Chinese Communist Party owed their
success, and their survival through so many years of adve
their own skill and resource, not to direct Russian assist
the early period, when the movement was centred in the s
provinces, there was no means of communicating with Ru
the Chinese Communists had no access to the sea, and
territories controlled by the Chinese Nationalist Governn
off any direct route by land. In those years Mao Tse-tung a
Teh, the Communist army commander, had to frame the
and conduct their war without any guidance from the centr
munist world authority, and in fact they adopted policie
had been often disapproved by the distant Russians, bu
were well adapted to Chinese conditions. It is well-know
1927 the first Chinese revolution miscarried from the Cor
point of view by too close adherence to Russian advice. F
continued the alliance with the Nationalists, when tha
under the guidance of Chiang Kai-shek, was preparing
against the Communist wing, and later, when the rupt
already occurred, they vainly attempted to seize large cities
ing the Marxist dogma that revolution should be based
industrial proletariat.

It was only when these Russian-inspired policies h
astrously failed, that Mao Tse-tung and Chu Teh, fugitive
mountains of Kiangsi, turned away from such ambitions
to organize the peasants and to base their power on the
needs of the rural population. By orthodox standards th
heresy. Communism, the dictatorship of the proletariat,
look to the workers of the cities, not to the peasants, for its
and inspiration. But in China the industrial population w
fined to a very few large cities on the coast or on the Yang
smaller cities of the interior were pre-industrial, based
industries whose workers were far from having the aspirat
suffering the oppressions, of the industrial workers of
theory. The peasants, on the other hand, the prey to usu
absentee landlords, were a vast reservoir of under-pr
humanity, hardy and enduring, and imbued with anci
ditions of revolt against misgovernment.

Using slogans such as 'the land to the cultivator', 'aboli
lords', 'reduce rents', and the like, and practising a thor

rough and ready, policy of land distribution, Mao and Chu had no difficulty in raising rebellion against the landlord-controlled Kuomintang, and in forming an army of peasants who repeatedly and disastrously repulsed the best formations of Chiang Kai-shek's German-trained army. But their policy was not, at any point, Communist. This led to the widespread belief that, whatever they might call themselves, the Chinese Communists were really nothing but a land-reforming party of peasants whose plans envisaged no more than widespread, and necessary, reform of the land system and the inauguration of an economy of small proprietors. For this reason many Western writers sympathized openly with the Chinese Communists and saw in them the hope of China. For this reason, too, the idea long persisted that a reconciliation with the left wing of the Nationalist Party should be possible, and that this policy offered the most desirable solution of the Civil War.

It is only since the triumph of the Communist movement that the real reasons why this hope was illusory have become apparent. Mao Tse-tung and the inner core of the Party were indeed forced by circumstances, and their own accurate judgement of the possible, to adopt, for many years, a purely agrarian policy of reform, and to lay their ultimate Communist policies aside. But the hard core of the Party was always made up of convinced, and in their own view, orthodox Communists. It is true that the origins of Chinese Communism spring more directly from the original source in Western Europe, than from the later Communist State of Russia. Chu Teh, after serving as an officer in the warlord armies of the early Republic, learned his Communism, not in Russia, which he did not visit, but in Germany. Chou En-lai became a Communist in Paris. Here, not in Moscow, was the earliest cradle of the Chinese movement. Until he visited Russia after his triumph at the end of 1949, Mao Tse-tung had never been out of China. Among the lesser leaders, also, the majority in the early years were either without foreign experience or had been trained as students in Western Europe, where they learned Communism from French or German comrades. A very few were returned students from the United States.

THE ROOTS OF CHINESE COMMUNISM

In a very real sense, therefore, the Chinese Communist Party is an orthodox Marxist movement, not merely an agrarian reform

party of peasants. It also ultimately derives from the two separate sources of Western Marxist philosophy and the C tradition of revolt against bad government—a fact of very importance. While it cannot be said that, without Marxis Chinese movement would have developed a parallel politic economic philosophy, it is probable that had there been no R Communist revolution, the ultimate and certain Chinese r tion would have taken a Communist form, given the M tendency it derived from Western European thought. Ver Chinese intellectuals can read Russian. Almost all the m educated class can read English; many are familiar with F it was from these sources that the Chinese Communists took inspiration.

The establishment of a Communist State in Russia nat transferred the centre of Marxist orthodoxy from W Europe to Moscow. It was certainly to Moscow that the Cl Communists looked for advice and order when, in 1927, th Revolution seemed to offer an immediate chance of seizing p But the Chinese Communists were sadly disillusioned by the sequences of listening too attentively to the orders of Sta that time. Their movement was almost destroyed by his blu It was only painfully rebuilt on new foundations by Mao an when they had been driven so far into the interior that they no longer receive the mistaken advice which Moscow cont to give.

Thereafter, during the long period of more than twenty ye which the Chinese Communist movement, with many vicissit struggled first against Chiang Kai-shek and then agains Japanese invasion, Moscow and the Russian party line count very little. No aid in arms or advisers came from Russia. Stali only recognized, but supported, the reactionary Natio Government. As late as 1945, he could assure Harry Hopkin he regarded Chiang's Government as the legitimate Go ment of China and looked upon the Chinese Communists party of agrarian rebels who had not the capacity to seize pow govern China. When the Russians invaded Manchuria at th of the war with Japan, they carried off the industrial plant fro factories, and, when they withdrew, handed over the chief to the Kuomintang troops who were flown in to receive them. Chinese Communists, indeed, could not be prevented fro filtrating the countryside, and thus came into possession o

panese arms dumps which they found there. But had Russia ally expected or intended that within a year or two Manchuria would become the great base for the Chinese Communist revolution, it would have been easy to delay evacuation until the hinese Communists had gained complete control of the region. would have been easier still, and more practical, to hand over to em the Japanese industrial plants intact and in running order.

There is thus clear evidence that, following the catastrophes of 927, the Chinese Communist Party had gone its own way, nored, though not actually condemned by Russia, but still, as te as 1945, not regarded in Moscow as the likely candidate for ower in China. The Chinese Communist Party won its war by its wn efforts. In 1948 a new Communist State emerged which owed ttle to Russia, and which derived its Marxism from Western urope. There is good reason to believe that this development was s unexpected, and in some ways almost as unwelcome, in Moscow s in Washington.

This evidence of the lack of collaboration between the Rusian and Chinese Communist parties went far to strengthen he belief that Chinese Communism was in some way heretical, istinctively Chinese, and thus less dangerous than orthodox Communism. But this belief is really erroneous; the difference etween Chinese and Russian Communism is primarily one of istory and practice, not of theory or ideology. There are, indeed, lear traces of certain truly Chinese characteristics in the movenent, but they in turn are not those which distinguished the lecadent regime of the end of the Manchu dynasty, nor yet the orrupt opportunism of the pseudo-republic of the Kuomintang. If the origins of Chinese Marxism are in Western Europe, the rigins of the Chinese elements in the political philosophy of the new regime come from older Chinese history; from the Imperial radition in its full flower, not from the decadence of the Manchu dynasty.

THE TITO OF ASIA?

Since the Chinese Communists came to power the hope has been openly expressed in the West, particularly in the United States, that Mao Tse-tung would become the Tito of Asia. The bait has been offered almost openly. If Mao will act the Tito, the West will not refuse economic aid. This possibility should be seriously examined. There can be no doubt that such a development is pos-

sible, and if sufficient ineptitude were shown by Russia, very easily occur. Tito fell from Moscow's grace because ferred to follow a policy which he believed to be in t interests of Yugoslavia, and refused to obey Moscow in ters. It can be shown that Mao has already committed the sins. Since 1927, indeed, he has followed those policies w rightly deemed best suited to the Chinese countryside, eve they were known to be at variance with Marxist dogma and advice.

In 1948, when the course of the Civil War was clearly rea crisis, the Chinese Communist Party deliberately rejected advice on a major question of strategy. They were onc proved right. But the outcome of the Conference of July 1 the sin of Tito, the identical sin: refusal to obey the sugges orders of Moscow. In that month a conference was ca southern Hopei to determine military strategy for the autumn campaign. The Kuomintang were obviously a spen They had failed repeatedly to carry out their strategic pla their economic policy was so disastrous that public opini almost totally alienated. An emissary of Russia, a leading C Communist who had just returned from Moscow, ga conference the advice which Stalin tendered. There should all-out offensive to crush the Kuomintang and seize power. preferred that the civil war should continue on a guerrill because this weakened America by inducing that country t tinue to pour arms into China in aid of Chiang Kai-she third World War, said the Russians, was not imminent; could afford to wait. This view was most strongly comba Chou En-lai. He pointed out that China was exhausted by twelve years of invasion and Civil War. The Kuomintan finished. One hard push, and the rotten regime would co The moment for which the Party had worked and foug twenty-two years had come. Why defer it? Moreover, he was convinced that a third World War would be avoided. If it occ with Chiang still in the field, the Americans would make their battleground, the Party could not hope to overco American invasion, and they would be forced back into gu warfare in the mountains. He urged an immediate all-out of to seize north China at least, all China if possible.

Contrary to popular belief, China is not a land where can be kept. News of this debate, though not of its ou

ached Peking in a few weeks. The events of the autumn showed hose opinion had prevailed. In October the Communist offensive Manchuria, greatly helped by the inept dispositions which hiang Kai-shek forced upon his more realistic subordinates, was arried to a triumphant conclusion. Mukden fell, and Manchuria as lost to the Kuomintang. In November the great offensive pon Nanking opened in the Yellow River valley, and at the same me the Communist armies crossed the Wall and closed in on eking. Peking and Tientsin were besieged in December and fell i January. By the end of the year 1948 the Communist armies had estroyed the main forces of the Kuomintang north of the angtze and stood upon the river opposite the Nationalist capital, Ianking. Russian advice had been disregarded, and an amazing iccession of victories had been the result.

A REVISION OF RUSSIAN POLICY

Clearly, from the sequel, Moscow saw that it would not do at all) call Mao to order on this account. The Russians hastened to hange their line, and to applaud the fruits of a policy which they ıad previously condemned. The Chinese wisely and generously efrained from making the real facts public. But right at the start f the new Communist power in Asia, Russian advice had been gnored, and ignored with impunity. Yet Mao has not been lenounced; no suspicion has been cast upon his orthodoxy. He as visited Moscow, remained several weeks, and returned, ipparently without making any concessions which could impair his prestige or diminish his authority in China. It can therefore be concluded that Moscow has no desire to make trouble for the Chinese Communist leader, who in turn, does not covet the dangerous and doubtful position of Marshal Tito. At some point Moscow has had to draw a line, and agree that in China matters must be left to the Chinese. Where that line has been drawn is the essential question.

It cannot be said from any certain evidence whether this line covers foreign policy or internal developments. On the mere evidence of events it would seem that Mao may well have agreed to follow Moscow in foreign affairs, in return, perhaps, getting the aircraft he needs for the invasion of Formosa. But in internal affairs it is clear that the Chinese continue to follow their own line, in conformity with the policies of the past, and in marked contrast to those now in force in Eastern Europe. That this difference in

internal policy represents a tacit admission by the Russians of past mistakes in 1927 may well be one explanation. On the hand, the kind of support enjoyed by the Communists in (is wholly different from that given to the Communist governi of Eastern Europe, or perhaps to that in Russia herself.

MAO TSE-TUNG'S 'NEW DEMOCRACY'

No understanding of events in China is possible unles realized that in this revolution the issue of democracy v communism was never involved. It is here that the crit levelled against the regime in China by American statesmer so far short of the mark. It is not the forces of democracy v were defeated when the Kuomintang fell. No regime could been less democratic than that of Chiang Kai-shek and the Families' (Chiangs, Soongs, Kungs, and Chens). All the app of Fascist dictatorship was employed by that Government, v lacked only the efficiency, but not the will, to misuse such p It was under the Kuomintang that the secret police arrested at dead of night and spirited them away to unknown ends. I under the rule of Chiang Kai-shek that liberal writers su Wen Yi-to were assassinated by hirelings of the Governmen others had to flee into exile to escape this fate.

To the people of China, whether peasants, intellectuals or merchants and small capitalists, the coming of the Commu really was a 'liberation', and the People's Liberation Arm their forces are styled, behaving with a perfect discipline paying, even in the worst of the campaign, for everything required, were a welcome, an almost incredible, change fror ill-disciplined and brutalized soldiery of the Nationalist Gov ment. For corruption the Communists gave rigidly honest ministration; for looting and ill-treatment their army gave (pline, order and fair payment; for inefficiency and nepotisn Communists gave purpose and drive, and above all for an un ing Civil War they gave peace and the reunification of the cou It is for these things, not for theoretical Communism, tha people of China are at present overwhelmingly behind Government.

In China today we have to deal, perhaps for the first time, w Communist Government which has the support, freely give the vast mass of the nation. Propaganda which seeks to disting between the 'free' peoples of Asia and those under Comm

le makes nonsense in China today, and only serves to support e claims of the Communist press, which, day in and day out, oclaims that the United States Government is the enemy of the ninese people. Nor does the more subtle criticism which recog-zes that the new regime has brought many benefits, but warns e Chinese against the developments which must surely come in ne, make much impression. The policy of the Chinese Govern-ent at present is that called by Mao Tse-tung 'New Democracy', ld to be the first of the steps which must be traversed before ommunism can be brought into force. New Democracy aims, most to the exclusion of other ends, at the rapid industrialization the country. This is necessary, not only to raise the standard of ing, but also to create that industrial proletariat upon which, cording to Marx, the Communist State must rely. As China had ot, as a whole even entered into the Capitalist phase of economy, at phase must necessarily be passed through on the road to mmunism. New Democracy is thus really controlled capitalism; pitalism under the guidance of theoretical Communists, who will tempt to trim and prune its growth, cutting out what they think armful, and training other branches to the pattern which will ake socialization most easy.

The merchant and the small capitalist are allowed to trade and ursue their callings, provided their activity fits into the general cheme of advance. Within these limits the technician and the xpert find a wide field for their skills, and may at last be free from he hampering influences of nepotism and private privilege which rustrated all their work under the Nationalist regime. Perhaps no lass in China is so well content with the new regime as the echnicians and scientists, almost all of whom had their training in merica or in Western Europe. But the policy of New Democracy, which permits and encourages private trade and industry, does not avour the foreign merchant or the foreign entrepreneur. All oreign merchants are deeply suspect as 'imperialist exploiters'; foreign capital is equally distrusted as the precursor of foreign imperialist designs'. When the Chinese Communists are assured that their policy will dry up China's foreign trade and preclude the granting of foreign credits, they are not dismayed—whatever the merchant class may feel. The Communists prefer to wait till China, with such aid as the Eastern European Communist States can supply, can industrialize herself, even if this means long delay and the absence, for many years, of those conveniences and

luxuries which a small class of coast dwelling Chinese enjoyed.

It is here, in this deliberate renunciation of the immediate fits which contact with the West could supply, that the other factor of the Chinese Revolution plays its part. For the new re with its Western Marxism, has also drawn inspiration and str from a return to older Chinese traditions, not usually adverti such, but evident enough to the student of history. Peking h only been given back its old name (to the joy of its people) once more the capital. The fear of the Imperial atmosphere, the Kuomintang abominated and which caused them to retı Nanking, is not felt by their conquerors, who, on the cor clearly intend to associate themselves with that tradition. Tl a movement on foot to make the Forbidden City (the Palace Emperors), the new seat of government, in the manner (Kremlin. Nor is this all; the Party, organized as an elite remains strictly separated from the ordinary citizens, is in aspects an up-to-date version of the Mandarin system—th service of the Empire. Not, indeed, of that system as it was decline under the later Manchu emperors, but as it was foundation of the great Chinese dynasties of the past, the M the T'ang, when it was recruited from the men who had serve fought in the wars which established the dynasty. The Im tradition in China is not so far removed from that of Commı as may be supposed. Democracy, as understood in the Wes no part of it, but a civil service—or party—recruited from n ability without distinction of class or wealth, was the root an of the old system, as it is of the new.

The Chinese Communist Party is very far from being, w claims to be, a Party of peasants and workers. It numbers ranks far more university students than peasants, and more of 'petty bourgeois' origin than industrial workers. Its recrui since liberation has been very heavy, and almost entirely fro universities or the army. These students, the educated class country where education counts above wealth or birth, are th and grandsons of the Mandarins of the late Empire. Inevita government must be based upon the services of the educated and in China any regime which ignored this truth would q collapse. Nothing more surely presaged the fall of the Kuomi than the wholesale desertion of the educated minority.

It would be wrong to expect that because the Communist

is so largely made up from the sons of the educated 'Mandarin' class, that the development of policy will show a gradual trend away from theoretical Communism. On the contrary, the great efforts now being made to spread education and literacy are designed to make possible a wider recruitment for the Party, and to eliminate the difference between the unlettered peasantry and the 'book perfumed' families. Realizing that the class structure of the Party is far from the Marxist ideal, the regime aims at the immense change of bringing up the whole younger generation in the Communist mould, so that the old class structure and the clan basis of society, the root of nepotism and corruption, will disappear. It is a formidable undertaking.

China, therefore, has turned her back on the West, and is seeking a solution for her ills in a revival of her old traditions under a Marxist interpretation. It is perhaps no accident that the leaders of the Communist Party are men from the west centre of China. Neither Cantonese nor coast-country men are found among the highest leaders. These men, who were brought up in the always mainly self-sufficient interior, and who then passed twenty-two years of guerrilla warfare far from the comforts and outlook of the great port cities, have never really been influenced by ideas current among the Western-educated Chinese. They belong, in one sense, to an older China, to the land-bound Empires of the past; like the men of those ages, they look westwards across the steppes for their contacts with Europe, not eastward to the sea. They may not be prepared to quote Ch'ien Lung, who, refusing contact with Britain, declared that 'the Celestial Empire produces all necessary things in the utmost abundance and has no need for the strange and curious products of distant nations', but the Chinese Communists share more than a little of the Emperor's outlook. The abundance, after twelve years of war, is not so apparent, but the dislike of the strange and curious luxuries of the West is much stronger.

In many ways the Western nations now once more find themselves faced with problems all too reminiscent of the early days of the China trade. There is once more a strong and intransigent government, unwilling to admit the foreign merchant, and priding itself on a philosophy of politics and foreign relations wholly at variance with that current in the West. Once more China is strong in defence, but weak in attack. The empire of the Manchus had no aggressive designs on its neighbours, and we may still hope that

Communist China, exhausted by twelve years of war and inv bent upon remodelling its economy and social structure, i upon the huge task of industrializing a sub-continent and r the living standards of 400 million people, has no designs the peace of the world, provided she can regain, without ference, all her national territory, which in the Chinese view certainly includes Formosa.

The new China has come to stay; no internal opposition which can dislodge it. But the emergence of a second Comm State of the dimensions and potentialities of a first-class P raises for the older Communist Russia many problems also. (may be the ally, but she cannot be the tool of Russia. Allies, know, do not always agree on policy, and compromise is necessary. The Russians have as yet had little experience i practice of compromise, and it cannot but be good for them t with a people so apt at getting round difficulties and such m of diplomacy as the Chinese. Mao Tse-tung was nine wee Moscow, and as the Peking people were quick to see, it doe take nine weeks to say yes.

C. P.

Pressure Groups and American Policy

THE American Administration proposes, but Congress disp This is a hard lesson that Europeans, accustomed to the pa mentary form of government, have had to learn over and over a In the coming year, as President Truman attempts to tran into law the pledges of tariff reform which the spokesmen o Administration have made to the nations of the world particularly to Great Britain, the attitude of Congress wil decisive.

British commentators, in seeking to assess the possibilit favourable action by Congress, with all it means to the succe the dollar export drive, have looked behind the Congress

ade. They have seen, as the really effective opponents of lower riffs, the 'lobbies' concerned with protecting American manuctures against foreign competition. They have thus brought to e attention of the British public an important aspect of American litical life, and one whose understanding is essential, not only in lculating the prospects for dollar exports, but in uncovering the ainsprings of a wide range of American foreign and domestic licies.

The framers of the American Constitution provided an essential asis for the power of lobbies by making the legislative branch of overnment, Congress, independent of the executive, the President. By doing so, they deprived the President of the power over idividual members of Congress which a Prime Minister in a arliamentary government commands, above all by his privilege f asking for the dissolution of a Parliament which votes against is will. A Member of Congress is quite free to vote, whether for ood or bad reasons, against the wishes of the President, even if he appens to be of the same political party. Indeed, it is very rare for ne voting in Congress to be along strict party political lines, xcept on formal issues such as the election of the Speaker in the Iouse of Representatives.

The Constitution, in fact, was framed without taking into ccount the possibility that political parties might come into being. This was nowhere more evident than in the procedure established or the election of the President; it became quite impractical, and ad to be amended, once party politics prevailed. How, then, were he issues before Congress to be decided? James Madison, one of the principal authors of the Constitution, believed that, as each important issue arose, individuals and interest groups (particularly economic ones) would group themselves on one side or the other of the particular question concerned, and the Congressional vote would depend on the relative strength of the two camps. When another issue arose, the alignment might be quite different, and groups once associated might find themselves opposing one another. In other words, Madison envisaged 'lobbying' as the normal method of determining legislative action. The word itself came to be used because the representatives of the various groups interested in legislation met and interviewed Congressmen in the lobbies of the Capitol.

'Logrolling', a further refinement of lobbying, has a more picturesque derivation. It comes from frontier life in America.

When a new cabin was built, all the neighbours would rolling the logs up to the site, putting them in place, and tl with the understanding that they in turn would be helpe(they had cabins to build. It was by logrolling that Washingt chosen as the site of America's capital city; the 'lobby' seek assumption by the new Government of the debts incurred Continental Congress agreed to the location of the capital South in exchange for the Southern votes necessary to ca their own proposals.

Both lobbying and logrolling flourish best in the absence o discipline. To the extent that party loyalty exists at all United States, it reduces the influence of the 'lobby' over dual Congressmen. It is reinforced, in the case of members President's party, by the patronage he still enjoys, althou has been reduced in recent years by the strengthening a tension of a non-political civil service.

Other features of American political life contribute to the of special interest groups. Both Senators and Representati required, by the Constitution, to be residents of the state which they are elected. By a custom hardly ever violated, come to be accepted that Representatives must be residents (constituencies as well. In Great Britain, an M.P. might a(trary to the views of a powerful group in his constituen(remain in political life by transferring to another one. The / can Senator or Congressman has, in practice, no such alter Representatives are particularly vulnerable to the pressure (interests, both because their constituencies are much smalle those of most Senators, and because their term of office is on years, instead of the Senatorial six. They must begin to prep ground for re-election almost as soon as they reach Washi

Thus, in spite of the existence of a party system which M did not anticipate, many issues are still decided in exactly tl he predicted. This has seldom been clearer than in the case Kerr Bill, seeking to free natural gas from federal regu Nowadays, natural gas is produced largely in the Sout South-West, and goes thousands of miles by pipelines Northern cities. Although in general the Democratic Party account of the welfare of the poorer people, and the Repu Party business interests, the division of the votes in the Sena exactly opposite. Many Northern Republicans, with no ga ducers in their states to placate, and constituents who

resent higher prices for gas, voted against the Bill. Many Democrats from the South and South-West voted for it. It was approved largely by Democratic votes, and President Truman had to veto a Bill for which his nominal supporters were mainly responsible.

Dilemmas often confront the individual Congressman. One of these was frankly described by Representative Cannon of Missouri when a Bill relating to food subsidies was being debated in Congress. On labour questions, he said, he generally followed the lead of the American Federation of Labour; on farm questions, that of the American Farm Bureau Federation. The A.F.L. supported food subsidies, while the Farm Bureau opposed them. After careful thought, said Representative Cannon, he had concluded that the issue involved was a farm question, and he had therefore decided to vote against subsidies.

Great organizations such as the American Federation of Labour and the American Farm Bureau Federation have 'lobbyists' at each of the forty-eight state legislatures, as well as Washington. But lobbying is only one of their activities, although an important one. Other organizations exist solely for the purpose of lobbying, perhaps only to promote a single controversial Bill. An example of this sort of lobby is the Committee for the Nation's Health, which is seeking the establishment of a National Health Insurance System. Like-minded individuals and groups band together to set up these 'single-purpose' lobbies, and tend to disperse once their objective is achieved.

Although lobbying is an essential part of the American democratic practice, it tends to have a rather discreditable connotation. Largely responsible for this are the activities of some well-financed business lobbies. They maintain expensive headquarters in Washington, and lavishly entertain Senators and Congressmen. In times past they have indulged in outright bribery, but few cases of this sort have come to light in recent years. The process is more subtle than that. All other things being equal, a Congressman will tend to think twice before voting against the wishes of a lobbyist who has entertained him regularly, who has perhaps performed some political favours for him, and who may even have arranged for some contributions to his campaign fund. These kindnesses are not easy for some Congressmen to resist, because as a rule they are underpaid and overworked. Also, as already noted, many Congressmen suffer from insecurity. To the large number who are lawyers, good connections with the right lobbyists offer promise of a

lucrative practice in Washington if they retire from Cong fail to be re-elected. They may even become well-paid lol themselves.

Congress in recent years has acted to restrain the activi the more flamboyant lobbyists. They have been requi register their names, and to submit accounts of receipts a penses. These regulations are still rather ineffective, as recently decided in a Federal Court has shown. Mr Slaughter, once a Missouri Congressman, was very active the Republican-dominated Congress of 1947–48 in the inte the big grain-processing companies. Largely through his infl legislation was enacted which depressed the price given farmers for grain (ironically enough, it was resentment which swung a large proportion of the rural vote to Pre Truman in 1948, and ensured his re-election). Mr Slaught prosecuted by the Government for failure to register as a lol but succeeded in convincing the Court that his activities we a part of his law practice.

The regulations governing the activities of lobbyists will less be tightened still further in the coming years, but lobby such will continue to be a normal feature of the legislative p in the United States. And, so far as the tariff question is conc there is no need to look for any sinister motives. Hat manufa in New England have an obvious and understandable inte reducing British competition, and it is only natural tha should act in their own defence.

Hat manufacturing is concentrated in a small number of and by itself could never command a majority in Congres here that logrolling comes into play. The manufacturers c have banded themselves together with the manufacturers of assortment of other goods—bookbinders, fish canners, engravers, and the makers of pressed and blown glassware, matches, pottery, scientific apparatus, wall paper, and alum The Wage Earners Protective Conference, including sev unions affiliated with the American Federation of Labou headed by Mr Matthew Woll, a Vice-President of the A.F.I joined with them in the fight against tariff reductions. W together, under the title of the National Labour-Manag Council on Foreign Trade Policy, and acting on the princip interest of one is the interest of all', they have influence in industrial state.

They will not lack opposition. American industries which produce for export, and American farmers with export surpluses, want tariffs cut so that Europeans can buy the goods they have to offer. Senator Connally, Chairman of the Senate Foreign Affairs Committee, represents Texas, from whose sun-baked earth immense quantities of oil flow every day. In the hearings on this year's European Recovery Programme legislation, he bitterly attacked cuts by the sterling area in its purchase of dollar oil. Senator Lodge of Massachusetts, another member of the Committee, argued vigorously against him. The sterling area, he said, thinking of his many shoe and textile-making constituents thrown out of work by British competition, must find non-dollar sources of supply. Here one sees brought to a focus a fundamental question concerning the balance of trade between the dollar and sterling areas; whether it should be balanced at a low level of exchanges (Senator Lodge; shoes and textiles) or at a high level (Senator Connally; oil).

In easier times, many American Presidents were content to let questions of this sort be settled by the push and pull of opposing sectional lobbies. But in the present state of the world the President must take a strong lead in the national interest. Upon a Congress (and upon a Third Chamber of lobbyists) representing sectional viewpoints, he must constantly press policies in the interest of the United States as a whole, and of the world. This will be an even sterner test of the Administration's abilities than the initial enactment of the Marshall Plan. In its earlier stages, at least, the European Recovery Programme did not bear heavily upon sectional interests. The reduction of tariffs will hit them at almost every point.

Fortunately, Administration leaders have foreseen this from the beginning. It is for this reason, among others, that the greater lobbies—business, as represented by the National Association of Manufacturers and the American Chamber of Commerce; labour, as represented by the A.F.L., the C.I.O., and the independent unions and farmers, as represented by the American Farm Bureau Federation, the National Grange, and the Farmers' Union—have been enlisted in the European Recovery Programme. Spokesmen of these three great interest groups served on the planning committees which formulated the Programme, and continue to serve on the advisory committees which guide its progress. Leading business men were appointed as heads of the E.C.A. Missions

to the various European capitals, and trade union offici Labour Advisers. In the course of the first year, trade officials actually rose to head the missions in Norway and Sw Many other business men and trade unionists were fitted in structure of the Marshall Plan administration, both in Washi and in Europe.

The participation of these lobbies in the European Rec Programme was invaluable in obtaining the political backi bring it into effect, especially since the legislation had to b acted at a time when a Democratic President confronted publican-dominated Congress. It continues to be essential fo purpose, now that popular enthusiasm for overseas expen has declined. When Mr Hoffman is told, as he frequently i by Senators and Congressmen, that the Marshall Plan is 'po poison', he flourishes before them the impressive list of na organizations, most of them 'lobbies' of various sorts, supp the Programme. The leading trade unionists and business m E.R.P. are encouraged to go home at regular intervals, speak conventions of their respective organizations, and sustai thusiasm for the Programme. An endless series of junket arranged for important people in such organizations not ac in the E.R.P. apparatus, so that they can meet their old friend associates in the various European capitals, and be suitabl pressed with the importance of backing the next year's appro tion of funds.

Over the past year, this network of lobbies has been increas employed in putting across the idea that the United States import more goods from Europe. Although some indiv trade unions are opposed to tariff reductions, the national fe tions now support them. Even the National Associatio Manufacturers, once the keystone of the high-tariff lobby acknowledged that the United States must become accustom a high level of imports. Mr Paul Hoffman, the prominent m facturer who is head of E.R.P., has told his fellow business that, if they believe in free enterprise, they should welcome petition. Mr Clinton Golden and Mr Bert Jewell, trade unio representing the C.I.O. and the A.F.L. respectively in E. headquarters at Washington, have been tireless in seeking to d the fear of many workers that the expansion of European im would mean wide-scale unemployment.

In the struggle which is now beginning, the Administration

lobbies on its own side as well as against it. So evenly balanced the forces that the trends in the American economy during the ming year are likely to be decisive for the outcome. If unemploy-ent mounts, most industries seriously affected by European mpetition will get or retain their protection. On the other hand, the American economy expands at an increasing rate, it will come easier to transfer workers from industries hit by European mpetition to other industries, such as television, which are owing rapidly. In that event, the Administration, and the bbies associated with it, and capable of taking a national view of e situation, will prevail over the entrenched ranks of sectional bbies and the door to the American market will be opened wider r European enterprise.

D. C. W.

Background to West Indian Federation

HE federation of the West Indies is today a question of the first nportance in Colonial affairs. But the idea of such a federation is y no means new. In 1887, in *The English in the West Indies*, the rovocative and entertaining account of his West Indian tour, ames Anthony Froude wrote as follows: 'In the recent discussion n the possibility of an organized Colonial federation, various chemes came under my notice, in every one of which the union f the West Indian Islands under a free parliamentary constitution vas regarded as a necessary preliminary. I was reminded of a onversation which I had held seventeen years ago with a high olonial official specially connected with the West Indian depart-nent, in which the federation of the islands under such a onstitution was spoken of as a measure already determined on.'

At first glance, it would seem surprising, not that the federation of the West Indian Colonies was being advocated in the Colonial Office eighty years ago, but that it has been so long delayed. Most of the arguments for federation have been valid for generations. Many of the smaller communities, most of them poor for the last

century or so, have been bearing the financial burden of adn trations which it would have been hard to justify at any time which were only economically practicable in the days when brought exceptional prosperity to the colonies. The British Indies have a common tradition and a common language and social and economic life conforms, with minor variations, t familiar pattern. In innumerable ways their common int have long made some sort of association, whether federal o looser kind, seemingly imperative. How is it, then, that the still separate?

THE GEOGRAPHICAL AND HISTORICAL SETTING

Federation has been hindered for reasons that are p geographical and partly historical. The geographical obstacle certainly formidable. In the first place, the British West I Colonies are scattered over an enormous area. They extend the northernmost islands of the Bahamas to the southern boundary of British Guiana over some 27 degrees of latitude from western British Honduras to Barbados over some 3c grees of longitude. Jamaica is about a thousand miles from two next most important islands, Trinidad and Barbados, still further from British Guiana. This obstacle is serious be Jamaica is not only the largest of the British West Indian isl but contains approximately one half of the total population o British West Indian Colonies, including the mainland territ

The obstacle of distance might have been partially overcon a good system of communications, but it does not exist. The re for this is plain enough: despite local variations, these col enjoy a very similar climate and, apart from the mineral reso of Trinidad and British Guiana, their products are very mucl same. Poor communications, resulting from the absence of incentive for inter-island trade, have intensified the strong dency to insularity which derives from causes deeply roote their history.

The historical obstacles to unification are only slightly serious than the geographical. Not only are the West Indian isl scattered over a wide expanse of sea, but the British islands interspersed amongst them, not on any basis of geographical l but as the result of fortuitous historical causes, while the mainland colonies of British Honduras and British Guiana are only British territories in Central and South America respecti

he Caribbean has been described as the nursery of the British avy: for centuries it was an arena in which Great Britain, France, olland, and Spain fought many naval battles decisive not only in est Indian but in European history. It is indeed only against the ackground of the history of Europe that that of the West Indies an be fully understood.

Some of these islands are true colonies of settlement: Bardados, or example, then uninhabited, was settled by English colonists arly in the seventeenth century. Jamaica, the largest British land and the most populous colony, was captured from Spain in 655, and the Spaniards, who had themselves exterminated the merindian inhabitants, were driven out and supplanted by nglish colonists. In such colonies the descendants of the eventeenth-century English settlers are the true natives, although his is often forgotten or misunderstood; they are too often egarded as intrusive, while the people of African origin are onsidered, quite wrongly, as aborigines. Other colonies, such as Grenada and St Lucia, were originally French and were the spoils of eighteenth-century victories. Trinidad, which was originally Spanish, had become French rather than Spanish in character by virtue of large scale French settlement in the eighteenth century before it finally became British in 1797.

It is interesting to speculate upon the political evolution of he British Colonies in the Caribbean had they preserved the character of colonies of settlement which they shared in the seventeenth century with those on the American mainland. But with the development and dominance of the sugar industry, a vital change took place not only in the economic but also in the racial and social structure of West Indian life. A numerous population of white farmers and servants gave way to a small population of white planters, estate managers, and merchants, and a vast population of slaves of West African origin. The history of the West Indies is very largely a story of the painful adaptation of a structure of society, created by and for one group, to the needs of another more numerous group with fundamentally different ideas and traditions. The process of adaptation and fusion was necessarily long. No true community could, in fact, exist in any of the West Indian Colonies before Emancipation, which took place in Antigua in 1834, and elsewhere in 1838.

Not only was the white community in each colony exceedingly small, but its interests and loyalties became less and less local as

time went on. Uniformity of products discouraged inter-Co trade and the interests of the white community were fo primarily upon Great Britain, with whose economy that o West Indies was inextricably bound up. The sugar industr largely financed and controlled by brokers and merchan London, Liverpool, and Bristol. They and the absentee propri (together represented by the strong West Indian intere Parliament) dictated the course of events. Absenteeism, Ireland, deprived the area of its natural leaders. The white B West Indian community produced many people of great ab 'Monk' Lewis, the friend of Byron; William Beckford, v *Vathek* played an important part in the romantic moveme English literature, and Elizabeth Barrett Browning, wer members of Jamaican families, while Alexander Hamilton born in Nevis; but all of them found scope for their abilities ou the West Indian area. Alexander Hamilton is an intere example: under different circumstances he might well have the leader in a movement for the federation of the British Indies as he became for the federation of the American mai colonies.

The phenomenal success of the West Indian sugar industr been built upon two supports which gave way in the first h the nineteenth century. With the abolition of slavery, the arti labour supply which had always been an integral part o industry came to an end; with the adoption of free trade by (Britain, the artificial market which West Indian sugar had enjoyed was lost. The collapse of the sugar industry brought r misery in its train, but from its ruins began to rise slowly painfully a homogeneous society in each of the colonies.

Strong opposition to the abolition of slavery had nearly cr a separatist movement amongst the West Indian planters, they were a community too small and isolated and too depen on the mother country, to be able to make much headway. planters contented themselves with making the process of ad ment after Emancipation as difficult as possible, and the Col Houses of Assembly (almost exclusively representing the plan interest) did practically nothing to help to create a sound socie any of the colonies out of the diverse elements of which the pop tion was composed. Despite the uncooperative attitude of mar the planters, and very largely as a result of the work of mission and outstanding individuals amongst the free people of col

societies of varying homogeneity have gradually evolved in each of the British West Indian Colonies in the century or so which has elapsed since Emancipation.

It is not surprising, under the circumstances, that the communities which have grown up in the separate colonies have developed a strongly individual character, and are distinguished to this day by an extreme insularity of tradition and outlook. Local differences, derived from their earlier history as English or French colonies of settlement, have been accentuated by various developments since 1838. In Trinidad and British Guiana, for example, the whole racial balance of these colonies has been altered by the introduction of labourers from India after Emancipation. In the former colony one-third of the total population now consists of 'West Indian East Indians', and in British Guiana they constitute about 44 per cent of the total population and form the largest single racial unit in the colony. They tend to form separate enclaves and do not blend very readily with the rest of the community. In Trinidad the oil and asphalt industries have been developed in relatively recent years, and her economic interests are now to that extent different from those of the other colonies.

Local differences have been strongly reflected in the varying degrees of constitutional progress which each of the British West Indian Colonies has been able to make. Many West Indians regard these contrasts as the most formidable obstacle to West Indian federation.

A homogeneous society is essential to successful self-government, and the degree of homogeneity achieved in each of the colonies is closely related to the stage of constitutional development which it has reached. For various reasons, Jamaica has advanced most rapidly. The availability of land at low prices after Emancipation and following the collapse of the sugar industry has encouraged the development of a land-owning peasantry and of a middle class. The sugar economy of Barbados, richly endowed with soil ideally suited to the production of sugar, survived the period which proved fatal in most other colonies; her economic and social structures have therefore more closely retained their original form, and her representative institutions are amongst the oldest and, until recently, amongst the least altered, of those in the British West Indian Colonies.

Recent constitutional development has been accelerated by pressure within the colonies themselves. The rapidly growing

political consciousness of the West Indian people has expressed in demands for greater self-government within ea the separate colonies, to the exclusion of any concern for feder —a development which reflects their strong insularity. educational systems of the colonies have also been adapted the British model, and West Indian political ideas are, natu enough, those inculcated by this example. They demand local liamentary institutions modelled on those of the mother co from which existing institutions have derived. British West I education has not automatically created a desire for feder an idea less obviously implicit in our political traditions th those of the Dominions and the United States, with w institutions West Indians for the most part are less familiar to understand these relatively new political movements in West Indies it is necessary to know something of the r economic history of the area.

ECONOMIC INCENTIVES TO FEDERATION

The fatal weakness of an economy based upon a single crop disastrously evident in the West Indies when the sugar indu collapsed in the first half of the nineteenth century. During later years of the century and the early years of the twentieth West Indian sugar industry was maintained after a fashion, despite preferences in the British and Canadian markets, sugar often being made at a loss. Then came the First World War a sudden and meteoric rise in the price of sugar. This boom w short duration and was followed, after the war, by a severe dep sion. The prosperity of the West Indies fluctuated violently sympathy with the fluctuations of world market prices for s and the other products of the region. In the twentieth cent hope was centred upon a new product for which there seemed t not only a steady but an almost endlessly increasing demand in world—the banana. In the thirties, the banana industry prosp exceedingly: it soon accounted for more than half of the valu the exports of Jamaica and had clearly taken the place of su as her main crop. But again, West Indian producers were doon to disappointment, for two most destructive diseases, the Pan disease and Leaf Spot, attacked the plantations and large a were thrown completely out of cultivation.

While West Indian prosperity fluctuated violently, the pop tion of the area rose steadily and fast. These and contribu

uses brought about an acute economic depression in the British 'est Indian Colonies in the late thirties. The resulting poverty id distress found an outlet in the West Indian riots of 1937 and 138. A sense of insecurity and frustration convinced many West idians that they must have a greater say in their own affairs. hey organized themselves into trade unions and political irties which soon aimed at some form of self-government for ieir own particular colony. Another direct result of the riots was ie appointment of the Moyne Commission of 1938 and 1939. The iost important outcome of its recommendations was the setting p of the West Indian Development and Welfare Organization, ith its headquarters in Barbados. For the first time a central gency had come into existence in the West Indies for the planning f their development on a regional basis. The Royal Commission lso expressed the opinion in its Report that 'a combination into ne political entity of all the British possessions in the Caribbean rea' was the ideal towards which policy should be directed.

It is significant that the initiative for federating the West Indian Colonies has always, until recently, come from outside the area. The recommendation of the Royal Commission of 1883 that the Leeward and Windward Islands should be united was not acted upon. Major Wood (the present Lord Halifax) reported in 1922 that opinion in the West Indies was against federation and the Closer Union Congress of 1932 came to nothing. Nothing could in fact be done until the West Indians themselves became conscious of the need for unity.

Several factors have now helped to bring this consciousness into being. West Indians have now become accustomed to the idea of centralized functions and common action. The establishment of the Development and Welfare Organization was followed by that of the Caribbean Commission which, in turn, brought into being the Caribbean Research Council and the West Indian Conference, which meets biennially to discuss social and economic matters of common interest. Further, West Indians had already, on their own initiative, begun to meet for common purposes. A Caribbean Labour Congress met in British Guiana in 1938 and, incidentally, included federation amongst its objectives. Other examples of this tendency are the formation of the West Indies Sugar Association and the Federation of Civil Service Associations in the Caribbean area.

But at present the strongest incentive to federating the West

Indian Colonies is sheer economic necessity. The most advocates of the self-government of individual coloni beginning to recognize that political without economic in dence is little more than a shadow, and that territories, sma in area and in population, can have no real independence modern world. More important still, it has become abur clear that small units of this kind can play no significant pa world economy. As it has been well pointed out, 'the Britis Indian region produces barely 2 per cent of the world' supply of sugar; yet this industry is responsible for fully hal agricultural wealth'. It is clear that a British West Indian would not be in a very strong position for bargaining in the sugar market, but the position of individual colonies is hopeless. This fact is fully realized in the West Indies tod the negotiations for a long-term block purchase agreemer Great Britain have been conducted on a regional basis Indians are realizing that the determining factors in West affairs are, as they always have been, outside the West Indi and beyond the control of a divided British West Indie movement towards unification has been made easier by greater opportunities of contact amongst the leaders of opinion and of obtaining knowledge of other territories, have been made possible in recent years by the developm air services in the West Indies.

THE MONTEGO BAY CONFERENCE

West Indian public opinion has clearly moved far since and in 1945 the then Secretary of State for the Colonies (C Oliver Stanley) considered that the time was ripe for recons tion of the whole question. He accordingly invited the West Indian legislatures to send delegates to a confere consider the possibility of federation. All of them, with the exception of the Bahamas, accepted the invitation. A Conf on the Closer Association of the British West Indian Coloni accordingly held in Montego Bay, Jamaica, in September, under the chairmanship of Mr Creech Jones, then Secret State for the Colonies. The proceedings of the Monteg Conference make extraordinarily interesting reading for th that they throw upon the evolution of public opinion i West Indies upon the idea of federation, and the num varieties of opinion which exist upon its application. Despite

doubts and difficulties, the Conference passed the following resolution: 'that this Conference, recognizing the desirability of a political federation of the British Caribbean territories, accepts the principle of a federation in which each constituent unit retains complete control over all matters except those specifically assigned to a federal government.'

The Conference also expressed the conviction that an increased responsibility should be extended to the individual Colonies, whose political development must be pressed as an aim in itself, without prejudice and in no way subordinate to progress towards federation'. A standing Committee was set up to work out the form of a federal constitution and to make recommendations for the unification of public services, and currency. It was also recommended that a British Caribbean Shipping Committee and Commission on the Unification of the Public Services in the British Caribbean should be appointed.

The Standing Committee set up in accordance with the recommendations of the Montego Bay Conference met during 1948 and 1949 and has now issued its Report. The following extract will give some indication of the extraordinarily rapid advance which public opinion in the West Indies has made in the direction of federation: 'We start from the assumption that the main underlying purpose of our task is to seek the shortest path towards a real political independence for the British peoples of the region, within the framework of the British Commonwealth—what is meant in fact by "Dominion Status". We assume further that we have been charged with this task because there is general agreement that this object cannot be attained without some form of federal association within the territories concerned, but that with Federation its attainment becomes practicable.' The Committee actually recommended the formation of a British Caribbean Federation on the Australian pattern. The legislative power of the Federation would be vested in a Federal Legislature consisting of a Governor-General, (representing the King), a Senate of twenty-three nominated members, and a House of Assembly of fifty elected members. Provision is made for a Prime Minister and a Cabinet who would all be members of a Council of State. A Federal Supreme Court is recommended as an indispensable part of the Constitution. The Federation would have its own finances and a unified civil service.

The salutary warning is given in the report that 'federation as

such will not solve our problems, but will provide the c in which they can be dealt with'. The whole report is inf this spirit of healthy realism: it suggests that the new D if it comes into being, will not lack wise leadership. At time it should be realized that not all groups in the We are equally enthusiastic in their support of the idea of fe East Indians in Trinidad and British Guiana, for exan that they might find themselves in a small minority; ot control by Jamaica, while political leaders in Jamaica elsewhere are divided in their views.

It would, indeed, be dangerous to underrate the difficu which the new nation will be confronted. Within her ov daries, the problem of a steadily rising population is mo It may be improved by the settlement of 100,000 people Guiana and British Honduras, as the Evans Report reco but it will eventually spell economic and social disaster u wealth of the area can be increased proportionately b productivity, the development of industries, and the diversification of the West Indian economy.

The only secure basis for democracy is an educated pe the importance of education as a unifying force in the ne is obvious. The establishment of the University Colle West Indies is not only a symbol of West Indian unity, bu ful means of giving it greater reality. It may well be, howe the part which community education has to play, on advocated in the Jamaica Community Education Report is of even greater importance, for this concerns itself not point of the educational pyramid but with its foundation

What of the external relations of the new Dominion? likely that economically and in other ways, she would l even more closely with her sister Dominion, Canada. Eve would also be made to develop trade with the United St the strategic interests of that country in the Caribbean s continue to be safeguarded. At the same time the delegat Montego Bay Conference were emphatic in rejecting any tion of political affiliation with the United States. It wa laid down that the aim before the Conference and the Committee was the achievement of Dominion Status British Caribbean territories 'within the framework of th Commonwealth'.

The European Steel Industry

Production Trends and the World Market

THE French proposals for the establishment of an international authority to control the Western European coal and steel industries lends additional importance to the survey of *European Steel Trends in the Setting of the World Market*, published recently by the Economic Commission for Europe. Indeed, the circumstances to which that report drew attention constitute to a large extent the reasons for the French proposals. The size and scale of the report is rather formidable and it is unlikely that many people even in the steel industry, will digest it thoroughly.[1] There are, however, enough points of general interest in the report to justify bringing it to the attention of a wider public than is likely to read it for themselves.

Although the bulk of steel produced in European countries is used either in the producing State or in other European countries, a small but essential part is exported outside Europe. This is true even without including the 'indirect' exports of steel from Europe in the form of machinery, vehicles and other manufactured products, which, in the case of the United Kingdom at any rate, actually account for a larger tonnage of steel than the 'direct' exports. The following table in the report brings out these points.

Table I

EUROPEAN STEEL PRODUCTION AND EXPORTS

(in million tons, crude steel equivalent)

	1935–9	1948
Production	52·5	47·2
Total Exports . . .	11·4	8·4
Exports to non-European countries	5·2	3·7
Per cent of production	10%	8%

In this connection it should be mentioned that the United Kingdom, as might be expected, is very much more concerned than the Continental countries with exports outside Europe. In 1935–39 she sent 80 per cent of her exports outside the Continent, whereas the rest of Europe sent only 37 per cent. This comparative independence of Europe may influence her attitude to the French proposals.

[1] The first and fourth chapters are fairly self-contained and could with profit be read by those who cannot face the whole report.

In order to arrive at some estimate of the quantity of ste which it will be possible to find a market outside Europe in ye come, it is necessary to estimate not only what the future sumption will be, but also the amount of the local producti all the countries in the world. This question of future sumption and production outside Europe is examined in detail and it is this which gives the report a considerably scope than might be expected.

Study of the development of consumption and local produ in four representative 'new' countries—Brazil, India, Aust and South Africa—leads the authors of the report to a very im ant hypothesis. They believe that steel production is an excepti the general rule that industrialization of an undeveloped co usually results in an increase in imports of manufactured g There are two reasons for this. In the first place, the unit of duction in the steel industry is large, and once set up, it cove major part of requirements. In the second place, a large propo of the steel consumed in under-developed areas consists o cruder products, such as rails and structural steel, which a n established industry is well able to produce.

This hypothesis is confirmed by their general conclu Although steel consumption in the rest of the world is exp to expand considerably, the increase will be more than cover the expansion in local production, resulting in an actual redu in imports from outside countries. This conclusion is backe most detailed estimates of future consumption and producti all parts of the world.

For this purpose the report, paradoxically but justifiably, c from its calculations the two largest steel consuming and ducing areas in the world—Northern America and the U.S.S. on the grounds that they are more or less self-contained This vents the whole picture being swamped by the enormous pro tion of the United States—about 80 million tons—and U.S.S.R.—estimated at about 18 million tons. (The next la producer is the United Kingdom with just over 15½ million t The U.S.S.R. can be left completely out of the picture, as international trade in steel is negligible. The United States considerable net exporter of steel and does not normally provi market for European production. The only country within t two areas which does import is Canada, and the great bulk o imports have always come from the United States.

The remainder of the world outside Europe is divided into four reas—Africa, the Middle East, the Far East, and Latin America. he table below sets out the actual steel production, consumption nd net imports of each of these areas in the five years before the ar and in 1948, and the estimates of the likely position in 1953.

Table 2
STEEL TRENDS OUTSIDE EUROPE
(in thousand metric tons)

COUNTRIES	PRODUCTION			CONSUMPTION			NET IMPORTS		
	1935–9	1948	1953*	1935–9	1948	1953*	1935–9	1948	1953*
frica	328	660	1,500	1,331	1,865	2,500	1,003	1,205	1,000
iddle East	—	10	50	414	711	1,050	414	701	1,000
ır East	8,219	4,160	10,850	10,708	5,281	11,550	2,489	1,121	700
atin America	184	969	2,550	2,140	3,562	4,550	1,956	2,593	2,000
Total	8,731	5,799	14,950	14,593	11,419	19,650	5,862	5,620	4,700
anada, U S A and U S S R †							555	733	300
rand Total (in ingot tons)							6,417	6,353	5,000
rand Total (in finished steel)							5,133	4,765	3,750

* Forecast. † Imports from Europe only.

t may be of some interest to explain how the estimates are rrived at.

In the case of Africa it will be seen that something like a doubing of consumption compared with pre-war is anticipated; on the ther hand, it is thought that all the increase will be met by local roduction—almost exclusively in the Union of South Africa—eaving net imports from the outside world at almost exactly the ame figure of 1 million tons.

So far as the Middle East is concerned, it is anticipated that consumption will be more than twice as great as before the war, and hat, in this case, almost the whole of the benefit will be felt by utside suppliers, net imports being shown as rising from 0·4 nillion tons to 1 million tons.

In the Far East, on the other hand, the report anticipates a rastic reduction in net imports from the outside world from early 2½ million tons to only 0.7 million tons. Here, it must e explained that the Far East is interpreted by the Economic Commission for Europe in a very wide sense to include not only Japan and China, but also Australia and India. The assumptions bout Japan are a crucial factor in all the estimates. Briefly, it is stimated that Japanese production will rise to 6½ million tons compared with rather under 6 million tons in 1935 to 1939, and

just over 3 million tons in 1949. Similarly, net exports are ex[p] to rise to 1½ million tons compared with 0·3 million tons i[n] to 1939. Thus, an actual reduction in Japan's own consump[t] steel is anticipated, although the population is now 1[0] lions greater than in 1939, on the grounds that a con[sider]able part of the pre-war consumption was for war purposes of course, particularly difficult to anticipate what will hap[pen] the case of Japan, but it is worth pointing out that the estim[ate] her export surplus as in the neighbourhood of 1½ million tons only tentative, but also constitutes a very large factor in the c[alculation] calculation.

The 'Far Eastern' calculation also includes the imp[ortant] assumption that Australia's production, in spite of her per[sistent] labour shortage, will rise from 1¼ million tons in 1948 to 2 m[illion] tons in 1953 and that she will become a net exporter of 0·3 m[illion] tons; that Indian production will rise from 1¼ to 2¼ million and that Chinese imports of steel will not exceed the highes[t pre-]war level of 600,000 tons, in spite of the theoretical possibilit[ies of] the Chinese market—a rise in Chinese consumption per head to the low Indian level would mean an import of 2¼ million

Finally, if we turn to Latin America, the estimated posit[ion is] similar to that of Africa; consumption is expected to double, is thought that the increase will be fully met by the expansi[on of] local production. In particular, Brazilian production is expec[ted to] rise from half a million tons to 1 million tons and Argentine [pro]duction from 0·1 to 0·6 million tons.

The overall results of these calculations is that net impo[rts of] steel by these four areas, covering the world outside Eu[rope,] North America and the U.S.S.R., will amount to 4·7 million

Even this limited market will not all be available to Euro[pean] exporters, since although the potential exports of the countr[ies of] the four areas themselves—notably Japan, and Australia— already been taken into account in calculating the net im[port] requirements, no allowance has been made for United S[tates] exports, which before the war used to account for 20 per cent o[f the] total. Making allowance for this factor and adding in the a[nticipated] pated European exports to Canada, the total extra-Europea[n de]mand for European steel would amount to just over 4 million This may be compared with actual European exports in 193[8] of just over 5 million tons and in 1948 of 3·7 million tons.

Since these estimates were published, it has been possib[le]

form some idea as to what happened in 1949. Preliminary calculations suggest that consumption was considerably higher than in 1948, but that local production did not increase substantially. This might lead one to suppose that the consumption estimates for 1953 were on the low side, and that the production estimates for the same year were on the high side. This would mean that the net imports would be greater than stated. On the other hand, it would be difficult to form any long-term conclusions from the experience of one year, particularly when it was a year in which there was some easing of supplies after a long period of shortage, so that it is possible that there was some abnormal demand for re-stocking purposes. Moreover, it is clear that the proportion of the total supplies coming from the United States is very much higher than 20 per cent, as it has been throughout the post-war period. It must also to be borne in mind that the whole calculation depends on the assumption that German production will not exceed the permitted level of 11·1 million tons. In fact, even if the market available proves to be larger than the report calculates, it may be difficult for Europe to secure the anticipated proportion, whilst even if she does secure that proportion, there may be more European exporters to share it between them than was thought.

EUROPE'S OWN CONSUMPTION OF STEEL

So much for the European export outlook. As was made clear at the outset, however, the great bulk of European steel has always been, and will always be, consumed in Europe. In planning the future scale of European steel production, therefore, the first essential is to estimate the future level of steel consumption in Europe. This the Economic Commission set out to do in four ways.[1]

The first method was one of 'historical analogy'. It was established that from 1925 to 1929 in its period of most striking increase, European steel consumption rose by 32 per cent. Applying this rate to European steel consumption in 1948 and making a special calculation for Germany, where the consumption in 1945 was abnormally low, it would appear that consumption in 1953 will be 60 million tons.

[1] One point of general interest may be noted in regard to the competition of steel with other materials. The report suggests that the tendency to replace steel by non-ferrous metals, asbestos, cement, plastics, etc. will be just about counterbalanced in the period under discussion by the substitution of steel for other raw materials, such as timber and concrete.

The second method was to establish the relationship bet steel consumption and overall industrial activity and to esti the future level of steel consumption from the forecast lev general European activity in 1953. The result of this calcul was 59½ million tons.

The third method was to forecast steel consumption or basis of estimates of future consumption by the main indu concerned. The table incorporating this calculation is of ge interest. It throws light both on the broad divisions of the m for steel and on the anticipated trends of development in the consuming industries, and it is reproduced below, althoug report itself emphasizes the tentative nature of many of the c lations. It will be seen that a considerable expansion of industries is forecast, with the notable exception of railways shipping. On this calculation consumption in 1953 was p 57¼ million tons.

Table 3

ESTIMATED ACTUAL STEEL CONSUMPTION IN EUROPE IN 1948 AND 1953 CLASSIFIED BY CONSUMER GROUPS

(in thousand metric tons crude steel equivalent)

	1948	1953	*Percent increase 1948 to*
Coal-mining industry	3,750	5,000	33·4
Electric power	1,500	2,500	66·7
Gas industry	750	1,250	66·7
Transport	10,500	11,750	11·9
(*a*) Rail	6,875	7,000	1·8
(*b*) Lorries	1,025	1,500	46·4
(*c*) Passenger cars	600	1,000	66·7
(*d*) Inland water	500	750	50·0
(*e*) Shipping	1,500	1,500	0·0
Steel Industry	1,000	1,300	30·0
Chemical industry	1,000	1,500	50·0
Agriculture	3,000	4,200	40·0
Building	3,500	5,000	42·9
Domestic (furniture, hardware, containers, etc.)	3,500	4,500	28·6
Chains, nuts, bolts, screws, miscellaneous forgings, wire, etc.	2,750	3,750	36·3
Mechanical and electrical engineering (not included elsewhere) and miscellaneous	11,500	16,500	43·5
Total (actual consumption)	42,750	57,250	33·9

The fourth and final method of calculating European steel consumption was to add together each country's forecast of its own internal requirements. On this calculation the total again came to 60 million tons.

It will be seen that the results of these four estimates amount to 60 million tons, 59½ million tons, 57¼ million tons and 60 million tons respectively. Making allowance for possible over-optimism on the part of the authors of the various national plans concerning the possible rate of investment and development of international trade, the authors of the report themselves assess the European demand for steel in 1953 at 58 million tons, compared with 47½ million tons in 1935–1939 and 43½ million tons in 1948—when, of course, German consumption in particular was abnormally low.

PLANNED EXPANSION OF EUROPEAN PRODUCTION

This figure of 58 million tons, of course, completely dwarfs the figure of 4 million tons for European exports. Nevertheless, it is the export figure which is the crux of the European steel problem. There is only a very small gap between the report's estimate of future European consumption—58 million tons—and the estimates by the individual countries of their own consumption—60 million tons. When calculating exports outside Europe, on the other hand, the report estimates a total of 4 million tons, whereas the aggregate of the individual countries' estimates of their own exports amounts to 10 million.

The forecast by the report of an overall surplus of 8 million tons—a production of 70 million tons against a consumption, including exports, of 62 million tons—makes it a matter of some interest to examine exactly where the main increases in production are scheduled to take place. The report makes it clear that the most striking increases are planned in the Eastern European countries (particularly Yugoslavia and Hungary). On the other hand, these Eastern European countries are expected to absorb any expansion in production which they can achieve through a rise in their own consumption, which is very low by Western European standards. The real source of the surplus is the expansion planned in the smaller Western European countries and France.

The prospects of such expansion are of course not altogether certain, since they will depend on other economic and political developments which are hard at present to assess, and which may modify existing projects.

Table 4

CRUDE STEEL PRODUCTION ATTAINED AND PLANNED IN EUROP

(in thousand metric tons)

Country (1)	1937 (2)	*Late* 1948 *or early* 1949 (3)	1953 (4)	*Increase* (3) *tonnage* (5)
Austria	657	800	900	100
Netherlands	39	445	820	375
Denmark	—	81	160	79
Greece	—	32	120	88
Italy and Trieste	2,099	2,260	3,130	870
Norway	60	70	150	80
Sweden	1,106	1,404	2,050	646
Switzerland	—	120	130	10
Turkey	—	118	220	102
Total	3,961	5,330	7,680	2,350
France and Saar	10,232	11,080	14,800	3,720
Belgium, Luxembourg	6,373	7,410	7,850	440
United Kingdom	13,192	16,200	17,400	1,200
West Germany	15,614	9,450	11,100	1,650
Western Europe	49,372	49,470	58,830	9,360
Eastern Europe and Spain	6,966	7,730	11,460	3,730
Grand Total	56,338	57,200	70,290	13,090

Meanwhile, strong criticism is directed against the plans o smaller countries. The report points out that economic prod of the full range of steel products, to the extent envisaged, ca a market of some 2½ million tons, whereas in many of these the market cannot be expected to exceed half a million This fact alone means that uneconomic production is lia develop, and this tendency will be aggravated if and whe surplus arises, since it is difficult to believe that in such ci stances each country would not take steps to protect its do production, even at the expense of excluding lower cost steel better-placed producing areas.

It is suggested that these questionable developments are l due to two false lines of reasoning. In the first place, durir period of post-war scarcity, it was widely thought that the pr was a shortage of capacity, whereas in fact, the real shortag one of raw materials. In the second place, it is generally th that the development of a domestic steel industry is a step to

economic independence. In fact, however, it simply means exchanging one form of dependence for another, since the potential sources of essential raw materials for steel-making, particularly coal and iron ore, are even more limited than the potential sources of steel products. The following table brings out forcibly the fact that every steel-making country in Europe is largely dependent on outside sources of supply, either for iron ore or for coal. This table throws particular light on the interdependence of the iron and steel industries of the various European countries, which is one of the important considerations behind the French proposals for an international authority to control European steel and coal. At the same time it should be pointed out that the position is not entirely one of interdependence, since some of the iron ore comes from outside Europe. In particular, the United Kingdom draws much of her imported ore from French North Africa and Sierra Leone, although, of course, Sweden is the main supplier.

Table 5

DEPENDENCE ON IMPORTED RAW MATERIALS

	*Iron Ore**	*Scrap*	*Coal*†
	%	%	%
United Kingdom	45	10	—
France	—	—	50 (France and Saar)
Saar	100	—	
Germany	45	—	—
Belgium	100	20 (Belgium and Luxembourg)	25
Luxembourg	50		100
Czechoslovakia	65	30	—
Italy	10	35	100
Poland	90	35	—
Sweden	—	20	100
Hungary	70	20	95
Austria	—	30	100
Netherlands	100	—	—

* Based on iron content.
† Including coal equivalent of imported coke

Having concluded its 'experiment in medium-term market analysis', the report propounds certain recommendations which are of particular interest in the light of the French proposals.

(1) It advocates co-operation for the stimulation of consumption on a European basis by means of co-operation between producers, consumers, and Governments, particularly in order to devise special measures to counteract depressions. It is emphasized that

in spite of the limited overseas market available for Europ steel can and must assist greatly in enabling Europe to a balance of payments with the outside world by making through the provision of high quality steel at low cost, expansion of European exports of engineering products.

(2) It is suggested that there should be co-ordination i ment programmes. Advice should be sought from a team nical experts who should be asked to inspect the various on the spot. Small countries should be encouraged to spe particular steel products.

(3) The various countries should co-operate to develop supplies of raw materials at economic prices. This propos not only, for example, the development of overseas ore re but also the conservation of European coking coal resou collective measures to avoid violent fluctuations in scrap p

(4) There should be an international exchange of v technical questions and particularly a pooling of experi measures for the improvement of productivity.

(5) Arrangements should be made for the pooling and information bearing on all the above questions.

Some progress has been made along all these lines in t since the war, stimulated by the Steel Committees establi the O.E.E.C. and the E.C.E., and the report is essentiall for the acceleration and fuller support of such action. S report was published, the French Government has, of suggested considerably more drastic and spectacular steps French proposals make it all the more desirable for attenti given to the findings and recommendations of the Secretariat.

B.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HER

THE WORLD TODAY

Volume VI No. 7 July 1950

*

Notes of the Month

The Labour Party's Statement on European Unity

MEASURES for closer union among the peoples of Western Europe have been taking shape during the last three years. But what has been done has been left in the hands of Ministers, with general consent or at any rate acquiescence, and political issues in a party sense have not hitherto been raised. The appearance of the Labour Party's Declaration on 13 June may be interpreted as a first step towards bringing the implications of the policy into the political arena, and inviting the British public to consider whither they are bound.

The Declaration starts by expressing the Party's 'pride in the contribution which the British Labour Government has made both in launching, in fuelling, and in steering this great movement'. But the time has come 'to define more clearly both the purposes of European co-operation and the form of unity'. Great Britain's participation, the Declaration insists, is conditioned by certain special circumstances. Her post-war problems cannot be solved by uncontrolled market forces. Her position as nerve centre of the Commonwealth and banker of the Sterling Area must be preserved. Moreover, the need is not only for Western European unity but for unity throughout the free world. 'Unless America's strategic, economic, and political activities are closely integrated with those of Europe, Africa, and Asia, the non-Communist world will be dangerously weakened.' The conception of a European 'Third Force' is regarded as too narrow. 'The Labour Party welcomes the extension of European planning for peace and prosperity to cover the Atlantic community as a whole. We also look forward to its further extension over the Commonwealth and Asia, until we have achieved organic unity throughout the non-Communist world.'

Further, the manifesto emphasises that for Western E central question is this. 'Should the peoples of the existi pean States surrender to a supra-national authority som all, of the constitutional powers which they exercise at Or should unity continue, as now, to be pursued thr operation between responsible Governments by mutual The manifesto has thus brought fundamental problems sphere of domestic political debate.

By way of comment, it may be pointed out that M. S recent proposal to place the coal and steel industries o Germany, and other countries under a single authority ha the last question into the foreground. The creation of authority for a field which, if limited, is yet of high im raises all the constitutional problems inherent in federat Labour Party declares that it would like to see 'that the proposals are shaped in the interests of the peoples as But on the wider issue it is opposed to the creation of national authority for any purpose of European co-operati is the existing balance of parties that a European Parliame be anti-Socialist or non-Socialist in character. A Social could not surrender important fields of national pol European representative authority with a permane Socialist majority. 'Foremost among the causes of den weakness in some parts of Europe is the failure of dem those areas to provide full employment, social justice an mic stability.'

Accordingly, the Labour Party does not favour the tra tion of the Council of Europe into a European Parliam legislative powers. 'New constitutional forms can onl not precede, the growth of a genuine European commun is 'an economic union based on dismantling all internal to trade, such as customs duties, exchange controls, and any better. Not only would it 'in the short term cause ser location, unemployment, and loss of production', but i frustrate the application of 'the methods of democratic s as practised in Britain and Scandinavia'. 'Socialists w course welcome a European economic Union which was l international planning for full employment, social just stability. But international planning can only operate on t of national planning. And many European Governments l yet shown either the will or the ability to plan their own eco

It is natural that a party manifesto should view a great new departure of policy in relation especially to its own aims and ideals: there are, in any case, formidable difficulties in the way of a federal authority for Europe, and a party which opposes it is not for that reason to be characterized as obstructive or isolationist. But the Labour Party Declaration has little constructive to say of these difficulties. Its case against a supra-national authority is primarily that it would not favour socialism. Democratic principles, it implies, certainly mean the acceptance of the policy of the majority, but they do not require a community following one policy to accept merger in a larger community favouring quite another.

The Labour Party also assumes rather too easily that the problem of full employment has been solved. Political parties everywhere have readily accepted the fashionable economic doctrines on the subject. But those doctrines are really still suspended in the realms of theory, awaiting a practical test. And very little that any Socialist Government has done in the past five years can be linked up with them.

On the other hand, there is perhaps more substance in the fear that merger in a Western European union might endanger the measures of social justice to which Great Britain has become committed. Both the severe direct taxation and the system of controls, in which these measures are embodied, can only be enforced by a kind of social discipline which seems to have been found uncongenial to some at any rate of the peoples of Western Europe.

Prospects for a European Payments Union

THE second year of Marshall aid is drawing to a close; on 1 July the European Recovery Programme enters upon its third year. As this note goes to press, plans for 1950-1 are in the final stages of preparation.

Much of the work of the Organization for European Economic Co-operation (O.E.E.C.) has hitherto been concerned with allocation among members of the dollars made available by the United States. As American aid dwindles, the emphasis in O.E.E.C.'S activities is beginning to fall less on division of aid, and more on intra-European co-operation of various kinds. A striking example of this tendency is the plan being prepared for a European Payments Union, to take the place of the (second) Intra-European

Payments Agreement which lapses on 30 June 1950. T scheme will put arrangements for intra-European paymen 'multilateral' basis. In other words, it will permit E countries to pay off a current deficit with one trading pa using a surplus earned with another.

Since the early post-war years, and up to recent time and payments between Western European countries ha carried on on a bilateral basis, because some currenci 'weaker' than others, and could therefore not be made fre vertible into 'stronger' currencies. No one regarded the payments mechanism as a satisfactory long-term soluti the possibility of making arrangements for multilateral p within Europe, and eventually with other parts of the wo been under consideration all along.

When the O.E.E.C. countries concluded the first Ag for Intra-European Payments and Compensation in the of 1948, the time was not ripe for reintroducing the mul mechanism. This agreement was therefore based on the p of bilateral settlement of accounts. Under it, so-called ' rights' were established by countries anticipating a surplus trade with certain individual trading partners; these rights could only be used by the specified beneficiary. In the (1949-50) agreement, bilateral drawing rights were establi in the preceding year, but a proportion of them (rough quarter) could be transferred by the beneficiary to any thi who was a member of O.E.E.C. and with whom he was in This provision introduced the first element of multilaterali European payments.

The new project for a European Payments Union goes deal further towards multilateralism. Although, at the writing, the final agreement has not yet been published, its main features are now fairly well known. They are as fol

(1) Members of the European Payments Union (E.P.U.) will include all O.E.E.C. countries, will be able to offset arising out of current transactions with one set of fellow-m against surpluses with another set. This will leave each with either a net deficit or a net surplus vis-à-vis memb group, because most countries' transactions will not norm in balance all the time.

(2) A country with a net surplus will, within the limits de below, extend a credit to the Union, and one with a defi

receive credit from it. These credits will be expressed in some international unit of account, sometimes referred to as a 'clearing unit'.

(3) Each member country will receive for its transactions with the Union a 'quota', probably equivalent to 15 per cent of its trade turnover with all the other members in 1949. The purpose of this quota is to fix limits within which countries may resort to the special facilities of the Union to settle unbalances in their trade and other transactions. According to the latest available information, settlements with the Union will be operated as follows:

(*a*) a net surplus or deficit with the Union not exceeding 20 per cent of a country's quota will be settled by extending a credit to or receiving a credit from the Union.

(*b*) all additional net surpluses within the quota will be settled half in gold and half in credit; additional deficits, on the other hand, by a combination of credits and gold payments, the proportion of the latter increasing as the deficit increases. When the quota is exhausted payments in both directions will have to be made in gold. Credits will apparently be given for the duration of the scheme.

(4) A proportion of Marshall aid dollars (possibly as much as $600 million) will be set aside to act as a sort of central currency pool, which will provide E.P.U. with adequate gold resources to meet at all times the demands arising out of its operations.

A certain amount of disagreement emerged in the course of negotiation over the size of each country's quota, the time limit for credits, and the point at which gold payments are to begin. Belgium, in particular, advocated smaller credits and earlier gold payments, while the United Kingdom favoured the extension by the Union of gold-free credits to debtors amounting to two-thirds of their quota, while creditors of the Union should lend up to one-third of their quota without receiving gold payments. Moreover all credits should be given for the duration of the scheme. Belgium's quota is now likely to be less than the 15 per cent fixed for other countries, and the combination of credit and gold payments described above is evidently a compromise on the question of the timing of gold payments and the duration of credits.

At one point of the negotiations the United Kingdom asked for a separate status within the E.P.U., in view of the special position of sterling as an international currency. The main difficulty appears to have arisen because some countries hold substantial sterling balances, and some are willing to accumulate sterling without

limit. Under the system described above all current transacti in sterling and in other currencies would become subject to 'o setting', and would be finally settled in clearing units. Outstandi sterling balances would become unusable for the duration of t scheme, and sterling would lose some of its value as an int national means of settlement. At the time of writing it appe that a solution has been found for these difficulties on the followi lines which will permit the United Kingdom to become a f member of E.P.U. After the process of 'offsetting' has be carried through, any net creditor would be free to hold part his balance in sterling instead of in clearing units. The Unit Kingdom would conclude agreements with the countries concern as to the amounts they would hold in sterling. On the other han net debtors under the E.P.U. scheme would settle part of th indebtedness to the Union by drawing upon their existing sterli balances.

Concurrently with these discussions on payments, further di cussions have been taking place on the liberalization of trad which, it is hoped, will result in the removal of further barrie from the European economy. The new payments and trade rul between them should virtually eliminate bilateralism from intr European trade.

ERRATUM

In the June issue of THE WORLD TODAY, p. 231, eleven lin from bottom, the figure for expenditure on the three Servic and on the Ministry of the Interior in Spain should be 46, n 55, per cent of the total Budget for the current year, as compare with 49 per cent in 1948. It is, however, true that the individu estimates for the three Services and the Ministry of the Interic for 1950 are in each case higher than for 1948.

Apartheid

The Political and Economic Consequences

N 13 January 1949 the internal political situation in South Africa, which the Government's racial policies had already attracted nsiderable attention abroad, was thrown sharply into the limeht by the Durban riots.

Although confined to a single city, and involving only the Native d Indian sections of the city's multi-racial population, the riots sulted in 142 deaths, serious injury to 1,087 persons, the destrucn of 306 buildings, and damage to two factories, 652 stores, and no less than 1,285 dwellings. They were characterized by exme savagery, rape, and arson. They can only be described as one the most devastating outbreaks of mass violence that any untry subject to the administration of peoples of Western ıropean origin has ever experienced in time of peace.

In addition to the personal tragedy which they brought into the es of the innocent Indian victims, the riots, seen in their proper rspective, can be considered as nothing short of a national ıgedy, for they epitomised the bitter racial conflict which is the minant feature of South African life today, and which is matched the enmity between the two schools of thought among the White pulation. The root causes of the inter-racial tension are poverty, scrimination, lack of opportunity for advancement according to erit, and exclusion from participation in Government, disilities from which the under-privileged racial groups all suffer greater or lesser degree. The sharp distinctions between the lative positions of Europeans and the non-Europeans are no new velopment. But, whereas until recently the disabilities of nonıropean labour were being gradually broken down, they are now ing intensified. And it is at least as much fear for the future, as hat has happened since the election of a Government pledged to e rigid enforcement of a policy of segregation, that now intensifies cial feeling.

ECONOMIC RESOURCES OF THE UNION

South Africa is a poor country. The prevailing high standard living of Europeans is in sharp contrast with the poverty of the maining four-fifths of the population. But it is only in relatively cent years that the Natives, who form more than two-thirds of

the country's total population, have become acutely aware o poverty. At the time of Union, the Native population lived f most part on its own lands, following its own customs and allegiance to its own tribal chiefs.

If the Natives were poor, they were not conscious of th Today more than 1¾ million of South Africa's Natives live porarily or permanently in towns, in which they are exc from many of the amenities enjoyed by the White populatio are made forcibly aware of their poverty, since they cannot p a home and adequate food and clothing.

The migration of rural populations to serve the needs of ind mine, and farm, and to meet the demand for domestic ser resulted both from the desire of the Native to enjoy the adva of town life and from economic necessity. Soil erosion an exhaustion have reduced the productive capacity of Native Simultaneously improved social services, which have been ext to the non-European population, have lowered the Native rate and caused increased pressure on the land. Thus, while years ago, at the time of Union, the die might have been c favour of the development of a Native economy parallel t definitely apart from the European economy, such a policy not be made to work today, both because the Native has i intervening years become indispensable to the European, ar cause the Reserves are no longer capable of supporting the genous population. From an economic point of view at lea trend towards greater urbanization of the Natives is desirabl the agricultural resources of the country are poor and d warrant the maintenance of a high proportion of the popu on the land. It is worth noting that while six in every ten third of the European and over two-thirds of the non-Eur population) are engaged on the land, they earn between then one-eighth of the national income.

The Indians of the Union are highly concentrated in Nata their numbers are roughly equivalent to the European popu of the province. To all intents and purposes they are concent in Durban. Here, because of the higher Asiatic birth-rate, th soon likely to exceed the White population. It can hardly be i tained seriously that the Indians are not a permanent elem the country—witness the failure of the Government's poli aided repatriation. Moreover, in view of the restrictions o movement of Asiatics, there is no possibility of Durban's so-

oblem being resolved by a wider dispersion of the Asiatic
n. The Coloured people are found mainly in the Cape.
Europeans and Asiatics, they are predominantly urban.
e will undoubtedly see a more rapid increase in the non-
than in the White population of the towns, and more
ly if white immigration is not encouraged.

already been pointed out, South Africa, in spite of the
its gold and diamonds, is fundamentally poor. Economic
demands the development of the potential skills of the
pulation and the fullest use of all material and human
This might easily be done by the fuller and more
se of the country's non-European labour in manufactur-
ries, for at present the Union loses the natural advantage
p labour supply by confining it almost entirely to un-
ork. There is one direction only in which the latent
f the non-European are being developed. Native and
ike have enjoyed greatly improved education in recent
d a small but highly educated non-European minority
ged. But the 'colour bar' prevents the educated non-
from reaching positions of responsibility, alike in
ation, the professions, and the economic field. It also
the less highly educated Indian or Native workers in the
m making a greater contribution to the national income,
given training and opportunity, there is no doubt that
apable of doing so.

POLITICAL CONSEQUENCES OF APARTHEID

onstitution of the country precludes any non-European
ng in the South African Parliament, but at the time of
e Cape Coloured population were classed as Europeans
ses of administration. They were placed on the common
roll, although the franchise was limited to men and sub-
lucation and property qualifications. Native interests are
ter by three elected European representatives in the
ouse and four in the Upper, but the Indians, who have
en considered as aliens, have no vote at all.

the Coloured population, nearly a million strong, are still
d insecurely between the White and non-White worlds,
have many grounds for fearing that they will shortly be
irrevocably as non-Europeans.

provisions of the Registration of Citizens' Bill, which was

introduced into Parliament during the present session, eve citizen will, in due course, be placed on a roll and given an identi card, which will indicate his or her race. The Register will, in fa serve as a sort of national stud book, and the Coloured populati fear—rightly or wrongly—that the measure is directed main against them. That there is at least some justification for the fea of the Coloured people is borne out by the Prime Minister's rece accouncement that a Minister would be appointed to take char of a new Department of Coloured Affairs and that the Colour Advisory Council would be abolished, a development whi quite definitely places them in a separate category from the Eur pean population. In addition, the threat to place the Colour population on a separate electoral roll, and to limit them to on three European representatives in the Assembly, irrespective any future increase in their numbers, has not been removed; it merely in abeyance as a result of Mr Havenga's stand against ar modification of the Constitution without a clear favourab majority. But he himself has declared his approval of the Nationa ists' Apartheid policy.

Other recent and pending Apartheid legislation affects the thr non-European groups in varying degrees. The Mixed Marriag Act, which makes marriage between Whites and those of nor European descent a criminal offence, and the segregation whic has been introduced in public transport in the Cape Province, a measures which are already in operation. The Immorality Bil which recently passed its second reading in the Assembly, an which is regarded as a corollary to the Mixed Marriages Ac extends the Act which prohibits sexual intercourse between Eur peans and Natives to Indians and Coloureds as well.

The present session of Parliament will also see the introductio of the Group Areas Residential Bill, apparently designed t eliminate existing pockets of non-European settlement in pre dominantly White areas and to make non-European areas exclu sively non-European. The Asiatic Land Tenure Act of 194 passed to prevent further Indian penetration into predominantl European areas, caused bitter resentment among the India population, but the new Act goes further in that it will disposses non-Europeans of their property and tenancy rights in predomin antly European areas. It is the Indian who will be the chief victin of this legislation, and he feels particularly bitter about this dis criminatory measure, since in 1946 verbal assurances were give

by the Prime Minister, General Smuts, that such action would not subsequently be taken.

Finally, it is the declared intention of the Government to abolish the Native Advisory Council, which was set up by Hertzog in 1936, when Native interests (elsewhere than in the Cape, where Natives were already on the common electoral roll) were for the first time represented in the House.

THE ECONOMIC CRISIS OF 1949 AND ITS SEQUEL

Apart from the prevailing political trends, the economic crisis which hit the country in 1949 and from which it has not fully recovered, despite devaluation and other Governmental measures designed to maintain imports at as high a level as possible, has adversely affected the economic position of the non-European. The immediate cause of the economic crisis was a fall in the Union's gold and foreign exchange reserves to a dangerously low level which called for a drastic restriction of imports. The dissipation of the Reserve Bank's holdings of gold and foreign currency, which had been built up to a high level during the war years, was, in turn, the result of the 'spending spree' indulged in by South Africans, both as producers and consumers, as soon as the end of the war made large-scale importation practicable.

From 1945 onwards the country had been over-spending abroad at a steadily increasing pace. The margin between merchandise sales abroad, supplemented by current gold production and capital imports, and purchases of foreign goods—particularly American goods—continued to widen. The Union's gold and dollar reserves shrank commensurately until, in November 1948, it became imperative for the Government to restrict non-sterling imports. In February 1949 the list of prohibited imports had to be extended in view of the continued drain on the reserves, but even these measures failed to meet the situation, for importers merely switched to sterling sources, so that South Africa's sterling reserves were likewise depleted. By June 1949 the Reserve Bank's gold holdings had fallen to £36.6 million and her foreign exchange holdings to £2.9 million, while she had reclaimed all but £30 million of the gold loan to Britain.

In these circumstances, the Government was obliged to resort to a general and drastic system of import control, the aim of which was to limit permits for imports to the amount of foreign exchange available from current earnings and capital inflow. The latter

source of foreign purchasing power had, moreover, almost dri up during the year, in sharp contrast to the position in 1947 a the first half of 1948. The effects of the drastic restriction imports were felt only gradually, as stocks were large; but inventories were exhausted, the repercussions of import cont percolated through the economy, for South Africa is heav dependent on foreign sources for capital goods and raw materia and engaged in a large-scale development programme. Mon became tighter and the home investment market inevital suffered from this stringency. All these factors had their effect the labour market, although the patches of unemployme affected in general the non-European rather than the European.

For the Native, the immediate result was a stricter enforceme of the provisions of the Natives Urban Areas Act, which enabl Local Authorities to promulgate legislation forbidding an u employed Native to remain in an urban area. So long as t industrial demand for unskilled labour remained unsatisfie Municipal Authorities disregarded this enabling Act; but they nc see in it an opportunity to solve the acute Native housing proble which is causing them serious anxiety, by sending the unemploy Native out of the towns, although he often has no alternative mea of livelihood. The potential threat of European unemployme also resulted in action to protect the European worker. The Nati Building Workers' Bill, designed to safeguard the interests European artisans in European areas by prohibiting the emplo ment of Native labour in most types of construction work, is o such measure. Another is the replacement of Native caretakers Government offices by Europeans.

EFFECTS OF DEVALUATION

No widespread agitation for an extension of the 'Civilize labour policy, which reserves many types of employment for t White worker, has occurred, since in September 1949 devaluati brought a measure of relief to the critical import situation. Tl decision to devalue sterling, and with it the South African poun raised the price of gold in terms of sterling by practically one-thi and thus substantially increased the foreign purchasing power the country. Gold and dollar reserves began to increase agai almost immediately, and the Government was soon able to pro mise some relaxation of import controls in the near future. Bu devaluation only went part of the way towards solving the econ

crisis. The increase in the quantity of goods which can be chased abroad through the higher sterling price of gold is not thing like as large as a 30 per cent devaluation might at first it appear to imply. In the first place, each unit imported from dollar area costs considerably more than before, and South ica is not in a position to dispense entirely with American ports. Secondly, the price of imports from the sterling area has risen to some extent, because of the area's dependence on lar sources for certain indispensable raw materials and capital ds. These two factors, coupled with rising costs of production he gold mines and in other South African export industries, e considerably offset the immediate gains from devaluation.

t appears, then, that devaluation, together with the renewed ow of capital which has accompanied it and which is reflected he higher level of the foreign exchange holdings of the Reserve ık, will not free the country from the need to restrict imports, ıough to a reduced extent, in the future. Nothing short of re-ıation of the dollar in terms of gold could automatically bring ıut that balance in the international accounts of the Union which ıow being achieved the hard way—by import control. South ica has been saved by miracles before, but such a miracle at sent is most unlikely.

THE NEED FOR MARKETS AND ITS IMPLICATIONS

n the circumstances, the expansion of South Africa's own nufacturing industries appears highly desirable. Secondary lustry has made spectacular strides since 1939. Between that e and 1947 there was a 16 per cent increase in the number of nufacturing establishments, a 35 per cent increase in the mber of Europeans employed in secondary industry, and a per cent increase in the number of non-Europeans so employed. ıe value of gross output rose from £199,617,000 to £491,813,000 ı 146 per cent increase. And even when allowance is made for ce increases, the rise was of the order of 30 per cent. But the ıtinued development of secondary industry depends directly on expansion in the size of the market, both internal and external, ıich its products can reach. This expansion calls for a reduction costs by greater efficiency and larger-scale production. Unless sts are reduced, South Africa cannot hope to increase the lume of manufacture exports, which is very small indeed. 1946, for instance, the value of manufactured goods exported

was only £24 million. The creation of a larger internal mark a pre-requisite to large-scale production, is dependent on a rise the standard of living of the non-European worker.

Yet the 'colour bar' to advancement from unskilled to skill work, which is the basis of the existing wage structure, invol waste of the country's labour resources and tends to prevent t rationalization which is necessary for economic production. It al keeps the purchasing power of the non-European population a very low level. Some relaxation of the 'colour bar' in employme is essential to the eventual expansion of secondary industry.

It is true that between 1939 and 1947 the wages of no Europeans employed in secondary industry went up by no le than 268 per cent, while Europeans' salaries and wages increas by only 111 per cent, and that the average real earnings of Eur peans in manufacturing industries rose by only 40 per cent, wh those of non-Europeans increased by 114. But to affect the size the internal market the earning capacity of the non-European mu be allowed to rise much higher. At present European wages in t mines, in manufacturing industry, and in the public transpo services are on the average something like five times as high those earned by the Native. The Indian employee's wage pack although bigger than the African's, is also much smaller than th of the European, while the Coloured wage-earner to-day occupi an intermediate position between the Asiatic and the Wh worker. The disparity between the earnings of the differe racial groups could clearly be narrowed considerably to t benefit of the community in general.

For these reasons it is more than unfortunate that curre economic policy tends to restrict the non-European's opportun ties for employment. Such a policy must inevitably increase cos of production at a time when South Africa's most urgent need to bring them down nearer to world levels. It is not only on accou of the political situation, but also because of the economic positio of the country, that future developments will be watched wit anxiety.

M. H. A.

The New Régime in Turkey

; victory of the Turkish Democratic Party at the elections of
May is of twofold significance. In the first place it means that
move towards westernization launched by Ataturk has not been
ed, and in the second that authority has now passed to the
ıg middle class from a group of men who had always had
'er and who considered government their vocation.

or twenty-seven years affairs in Turkey were managed by the
n who had fought with Ataturk in the war of independence
n 1919 to 1923. They consisted of some members of the
lligentsia already Europeanized and with a record of national-
dating from the days of the Young Turks; of dissident mem-
; of the old aristocracy; of big landowners and of military men
ose tradition did not let them accept defeat. When the hour of
ory came, and Anatolia—due for partition under the Treaty of
res—became once again Turkish, as did Eastern Thrace and
ıstantinople, these men took to power as their legitimate
ard. They were given posts of importance within the People's
ty which enjoyed absolute rule of the country from 1923 to
6, except for two brief interludes. The first lasted from 1924 to
6, when a 'Free Party' was tolerated but had to be dissolved
ause its leaders were alleged to be indulging in revolutionary
vity against the Kemalist régime. The second occurred in 1930
en a well-meaning liberal party was exploited by religious
atics and inspired local uprisings which ended in bloodshed.

The People's Party had immense authority: it nominated all
candidates to Parliament; it debated in camera within its
liamentary group all important bills and motions and decided
result of discussions within the Assembly, which naturally
led in unanimous decisions. Within each vilayet, its local repre-
itative, together with the governor and the chief of the gen-
merie, commanded the highest respect.

The first effective challenge to the People's Party was to come at
end of the war, when a motion was placed before the Grand
tional Assembly by a group demanding greater democratiza-
n and protesting against the use of martial law, justified by the
vernment by a pretended danger of external attack. The
tion alleged that martial law thus applied aimed mainly at
king sure of popular support. The result of the motion was that
deputies involved were expelled from the Party. After having

passed as 'independents' in the Assembly—which ever since 1 had contained some independent deputies within the framewor the People's Party—they formed the Democratic Party under leadership of Djelal Bayar.

Bayar's record made him fit from the first to lead some kinc peaceful revolution in Turkey. A civilian, he could appeal to middle classes who were relatively tired of rule by military mei for both Ataturk and Inönü were soldiers first and statesmen aft wards. His career had always placed him in contact with busin As a young man, Mahmut Djelal, as he then was, had joined staff of the Deutsche Orient Bank in the little town of Bursa, wh merchant community had always been large in relation to its si chiefly because of its trade in silks. Being extremely intelligent, became at the age of twenty-three one of the bank's most import officials. But he left the bank to organize the Smyrna Commit of the Union and Progress Party, a party which had effected 1908 Revolution. After the crumbling of the Ottoman Empire joined the struggle for independence and became a regional co mander. Under the new régime, he was Minister of Natio Economy until 1924, but then relinquished his post to beco head of a State-controlled bank, the Business Bank. He becai Minister of National Economy once again in 1932, and was Pri Minister in 1937. He then abandoned the Premiership thi months after Inönu's accession to the Presidency. Throughout l career he had shown concern not only for the future of Turki industry, but also for the establishment of a liberal Turkey

It was, in fact, the economic situation which he eventually us as his platform. The growth of a Turkish middle class had beer long process. In a country where over three-quarters of the popul tion live on the produce of the soil and are almost on subsisten level, where communications are inadequate, where industri are not developed and where capital is timid and unsafe, the midd classes form a very small section of the population. The Republic first concern had been the achievement of internal stabilit Inspired by Ataturk's dynamic personality, the people of Turk had first of all to learn to think of themselves as a part of tl Turkish nation rather than a part of Islam. This had meant tl country's secularization, the adoption of a Westernizing policy dress and in legal codes (the Swiss code was adopted), and tl emancipation of women. Economic development came only as second problem, but a problem all the same. The method adopte

ected the 'paternalistic' attitude of the People's Party. When laws for encouragement of industry, which granted tax mptions and guaranteed home markets to would-be industrial- failed to secure the foundations of extensive industry viously desirable not only on grounds of economic welfare but of prestige), State participation in industry was adopted. itisme', as it was called, was to proceed under the aegis of a suc- sion of Five Year Plans, and Turkey was in 1934 the first ntry to adopt such a system outside Soviet Russia. It involved setting up of State industrial undertakings both in basic and sumer goods industries, which would often compete with those up under private enterprise.

t is strange that precisely this tenet of 'Etatisme' should be set a target for criticism by the Democratic Party. For Etatisme irished in Turkey mainly during Djelal Bayar's tenure of office the Ministry of National Economy. He and his colleagues st have concluded that the extra impetus which the war gave to rkish industry (the index of industrial production showed an rease of over 56 per cent at the end of 1948 relatively to pre- r figures) meant that industry could well proceed under its own wer, provided it felt itself secure from the darts of State com- ition and crippling maladministration. But it was not only the nomic policy of the Government which was under attack. The ss was continuously hampered by regulations which resulted in nmary suppression of papers for alleged subversive activity. A ater freedom of speech was demanded and strong criticism of her circles was implied. These protests found a ready echo ongst the leaders of the Democratic group who favoured all- nd liberalism—provided of course that extremists of the Right d Left were kept under control. The People's Party was aware of discontent which prevailed throughout the country—in the vns because of the four-fold increase in the cost of living, in the intryside because of the increasing difficulties of maintaining ricultural production, which remained on the whole below the -war figure. They tried to relax current restrictions and sug- sted that greater freedom might be extended, if only a second gher Chamber was set up to restrain any bid for freedom from thin the Assembly. This move did not win the favour of the mocratic Party, who saw in it a further attempt to give the ns to the professional politicians, the diehards, even though the oposed Chamber was to be bi-partisan.

In its contest with the People's Party, the Democratic Party able to exploit the divisions reigning inside the ranks of its opponent. The younger members of the People's Party, bro up within Ataturk's spirit of reformism, found themselve variance with the members of the old school, those of the ty Saracoglu and Peker, men with little respect for democ methods. Defections within the party followed each other rap and the formation of the Nationalist Party, on the whole repres ing economic and political reaction, even though at times it prone to declarations of liberal faith, meant that just as for young the Democratic Party held many attractions, the Nation Party held hopes for the old.

If the Democratic victory is significant in marking a shi power from a group to a class, the defeat of the Nationalist P is of equal if not greater significance. It is strange that this sh have escaped Western commentators. A Nationalist Party vic would not only have meant economic retrogression, but al return to Islam. The gap which secularization had made in Tur moral life had become particularly apparent since 1939. 'spiritual rearmament' which had taken place in Western Eu had affected Turkey as well, especially as the vice and corrup in the cities were apparent to the members of the older gen tion. After strenuous debates the People's Party had accepted introduction of religious education in schools, provided that it place outside the curriculum. Faculties of theology were adde the Universities of Istanbul and Ankara. But the Nation Party, although it did not dare to proclaim it clearly—for Kem principles were too sacred ever to be openly questioned—wa more of a declaration of Islamic faith by the majority of country. Possibly the ugly demonstrations in March this which took place at the funeral of Marshal Chakmak, one of Party leaders, a great patriot who had cold-shouldered Wes nization but who was nevertheless much respected, did prestige of the party much harm. It came as a shock to the pe of Istanbul to see so many of the clergy appear to show their s port of the Nationalists, and they may have recalled the days w their town alone counted some 50,000 clericals. Nor did Nationalists adopt attractive methods to show their devotior their leader. They seized the coffin and altered the route of procession under pretence that the ceremonial was inadequate is encouraging to see that the Nationalist Party, with all the re

ssion it stood for, made no great appeal to the peasants. Lack faith in its own eventual success was already apparent when it ided to contest only 21 out of 63 constituencies, while both the ple's Party and the Democratic Party contested all 63.

n the new Assembly the Democratic Party has an enormous jority. As against the 69 Populists, 1 Nationalist, and 9 Indendents, it has 408 members, mainly younger men. Most of Democratic members are newcomers to Parliament, and ven of the fifteen Cabinet Ministers have never sat in the and National Assembly.

The foremost member of the Assembly is Djelal Bayar, who had be persuaded to accept the Presidency of the Republic. He had ays maintained that the President should be bi-partisan, but anomalies of the present Constitution forced the Democratic ty to make him their candidate. The Democratic spokesmen intained that since the President of the Republic has no hority at all in his official capacity, he must, unless he is to be a re puppet, be a member of the majority party. The People's rty see in the move not only a maintenance of the *status quo* t a safeguard against possible Cabinet reshuffles. They believe, seems plausibly, that since the Democratic Party is new to the siness of government there are quite likely to be several minisial changes before the next elections are due in four years' time. t changes of Cabinet could damage the prestige of the Demotic Party unless they retained an important figure always free m any suggestion of failure. If Djelal Bayar were chief of the rty and President of the Republic at the same time, they would ieve their aim. It seems likely in these circumstances that the ective leadership of the Democratic Party will pass to Adnan enderes, the present Prime Minister.

Is the present Cabinet as unstable as members of the People's rty would have the public believe? The emphasis in its memrship seems to be on liberal economics. Menderes, at fifty-one, s had a long experience of Parliament, which he joined at a very rly age. Educated at the American College of Izmir, he always owed a keen interest in agriculture and was a member of the overnment commission on land reform. He has always been nsidered moderate in his views and very able in debate. Fuat prülü, the Foreign Minister, a distinguished scholar and prosor of the history of Turkish Literature, has widespread prestige, t he is popular mainly amongst intellectuals.

These are the two most striking nominations to the Governme Among others, mention must be made of Professor Muhlis Ete professor of Economics at the Universities of Ankara and Istanb who has long been known as an expert on Government enterpris His appointment as Minister of Government Undertakings mea that the régime really does intend to proceed with a denationaliz tion programme of several State enterprises, since Professor Et past writings have often coincided in their views with those Adam Smith. These appointments, as well as that of Refik Inc Minister of National Defence, seem likely to be permanent. Shi will no doubt occur amongst some of the other posts, particular in that of the Ministry of National Economy, now held by Ankara lawyer with reputedly little experience of econom affairs.

But however stable it may be, the new Government has arduous task ahead. In his speech to the National Assembly 29 May, Mr Menderes declared that his policy would rest on fo principles: the greatest possible economy in State expenditu and transformation of the Budget deficit into a surplus; the 'acceler tion' of the economic system; the preparation of an over-all pla and the liberation of production from governmental and oth forms of bureaucratic intervention. But he was careful to add th immediate results should not be expected. And well he might; f the problems which face him are enormous. It was hoped by th People's Party that the Budget deficit of 155 million Turkis pounds would be met by Marshall aid, but the Turkish Missio that went to Washington to negotiate the loan (without previo consultation with the American Mission in Ankara) met with n success. For E.C.A. refused to grant over-all loans, maintainin its principle of lending only for specific projects. Further, th Budget receipts depend on agricultural production which practically stationary, though budgetary expenditure has bee mounting. It seems, then, that the Government intend to attac the problem on both sides. Mr Menderes has always shown a interest in agriculture—he has promised to divert to agriculture good deal of the money released by cuts in other directions. Th wisdom of such a policy can hardly be debated. Great though th need for industry may be, agriculture will remain the cornerston of Turkish economy, and so long as the income of the averag peasant remains at a level of about £18 a year the country wi never achieve significant economic progress. But an agricultur

cy, advocated not only by the Democratic Party but by all the
rs, as well as by the Twentieth Century Fund Mission which
ed the country, is not just a matter of introducing tractors or
roving the strain of seeds, as so many democrats seem to
eve. Technique will have to be radically improved, and the
course for the Government seems to be to restore to their
ner status the agricultural institutes which train village leaders
which are now somewhat restricted in their work because of
e accusations of Communism.

he budgetary economies will apparently come from national
nce, by far the largest item of Government expenditure. A cut
he national defence programme will not sound as surprising
he Grand National Assembly this year as it did last, when on
March the defence allocation in the Budget was criticized for
first time in the history of the new Republic. At the same time
ems unlikely that such a cut would be very great, so long as
key's northern neighbour does not relax her anti-Turkish
cy. Presumably it is hoped that American military aid will
he gap.

he Budget problem will also probably be tackled by the
lual transfer of several State undertakings to private enterprise.
extent of the proposed denationalization is not as yet pre-
ly known, so that nothing can be said about its exact form nor
he likely sequel. One estimate has put the total value of all
e undertakings at some L.T. 300 million (about £40 million),
doubtless only a fraction of these undertakings are to be
ded over in the near future and payments are to be spaced out
r a number of years. Nor is there much hope of State loans, for
rate of interest recently had to be put up.

n analysing the Budget question, the pledge to reduce the cost
living must be considered. The Turkish Democratic Party
adopted the slogan that to achieve a higher standard of living
duction must be increased. Foreign investment has been for
g anathema to the People's Party, who only very recently
htly modified their attitude. The new Government intends to
rantee foreign capital greater security than many nationalist
rks would tolerate some ten years ago, and to give industry the
ntive of unbridled competition. Harmonious industrial re-
ons are to be maintained by the further legalization of trade
on action, including the right to strike, and also by extensive
emes for social security. A reduction in the cost of living is

promised by the abolition of certain taxes on consumption, such the tax on sugar—a State monopoly—which has for long been intolerable burden on the poor.

There is also an extension of the liberal spirit from the econor to the political sphere. The victory of the Democratic Party l not yet given rise to any radical extremism. Nor does such prospect seem likely. But it is obvious that there is a democra feeling in the air. This feeling has been given most practi expression by the President of the Republic himself, who has the example in reducing the Presidential scale of expenditu and who has shown unexpected humility for a man in his positi in the Near East by arriving at the first meeting of the Assemb in an open jeep, with no escort and sitting next to the driv There is no doubt that greater freedom will be extended to t press, and the forthcoming political amnesty, much discuss may bring some comfort to those Left-wing politicians who we persecuted under the old régime, and were even summar accused of Communism—an indictable offence. It is felt by ma liberal-minded Turks that a more tolerant spirit towards sociali of the Western type would help to re-establish the politic balance. There is a genuine fear that an excess of econon liberalism might destroy some of the useful foundations laid Ataturk. The greatest danger would be a complete reversal of t policy of planned industrialization, but the proposed over-all pl gives no immediate grounds to expect such an alteration.

In its haste to condemn the old administration, as ex-Preside Inönü lately said in *Ulus*, the Democratic Party has never given it t benefit of the doubt. It seems obvious that a measure of planni for industrialization is bound to be retained. Private enterpri particularly erratic in peasant undeveloped areas, was co spicuous in war time, with rampant inflation and an insulat market. It is doubtful if today it will be equally adventurou when the return to normal has been almost achieved. Mode five-year plans and State aid for private enterprise, through t extension of credit, both in industry and agriculture, and only very partial transfer of State enterprises, would not make tl Democratic Party any less democratic, provided it reformed tl administrative structure of the country. For next to the mainte ance of peace a reform of the administrative structure is the mo essential condition of Turkey's path to progress.

I. H. E.

Eastern Germany

A Survey of Soviet Policy, 1945-50

E area of Germany assigned to Russian occupation broadly responded to the part occupied by the Russian Army at the e of the Armistice at Rheims. To this were added, in autumn 5, the western parts of Saxony, Thuringia, and Brandenburg. e Russian Zone thus included the prosperous industrial vinces of Saxony, Anhalt, and Thuringia, and the preponderly agricultural area of Eastern Mecklenburg, Western Pomera, and the Mark of Brandenburg. Berlin itself was to be goved on a quadripartite basis, but would be used as the administive capital of the Zone. The name of Prussia was to be ignored he new federal structure of Germany, and to be legislated out of stence at the earliest possible moment by Four-Power agreent. Nevertheless, the Soviet Zone contained the heart of the old ssia in the flat agricultural districts round Berlin.

Economically the Soviet Zone was the most balanced of the four nes of occupation; its area consisted of 30·5 per cent of the total Potsdam Germany, while its proportion of arable land was ·7 per cent of the whole country's post-war area. The Zone's ·3 per cent share of population corresponded to 35 per cent of total German capacity for industrial production, including rlin. Before the war the national income of the Soviet Zone was billion RM, or 36·2 per cent of that of Potsdam Germany in 36, and 32 per cent of those employed in Germany in 1936 were ployed in the area.[1]

The Soviet Zone was Germany's biggest producer of brown l, optical and precision instruments, pulp and paper, nonrous metals and goods therefrom, textile machinery, and certain ished textiles such as stockings. It depended on Western rmany for hard coal, steel, machinery, and rubber products. The iculture of the Zone predominated in potato and rye producn, and contained Germany's biggest sugar beet area and ineries. Thus, if necessary, the Zone could supply itself with gar, potatoes, and rye, and with a considerable part of its wheat d vegetable requirements. But economic isolation would soon oduce serious shortages of milk, meat (except perhaps pork), and s.

Statistical Handbook on Potsdam Germany, OMGUS, 1947, p. 9.

The effects of the war probably told more heavily on t Eastern Zone than on other parts of Germany. Although it had n been bombed as heavily and consistently as the Ruhr, the raids h taken place later than in the West, when the resources of t Government had proved insufficient to deal with the destructi of cities full of refugees from the East. Dresden was hard touched till April 1945, when two day-raids caused tremendo damage. No rubble clearing was undertaken till the Russia moved in. Similarly, the fighting round and in Berlin during t last days of the war caused the breakdown of electricity and g supply, and the partial flooding of the Underground. Frankfu Oder also suffered heavily during the actual fighting. Most forr of economic and social activity were at a complete standstill at t period of the armistice. A general exodus to the West of many the existing functionaries had taken place.

The task of reorganization was made more difficult by t arbitrary nature of the new Zones of Germany. Saxony was t only one of the five new Länder or provinces in the Eastern Zo which possessed a strong tradition of local separatism. Its pr ponderant economic position was enhanced by the natural unity its frontiers and the strength of local feeling, and it played a vit role in the development of the Soviet Zone. The Saxon Gover ment was the first to produce a provincial system of administratio and its provincial parliament (*Landtag*) the first to vote on t issue of nationalization. The Saxon vote was considered a sufficie mandate to carry out the expropriation scheme in the whole Zo by decree. Saxony was also the first province to produce a workin economic organization and a plan. It therefore tended to set a example to the rest of the Zone.

SOVIET POLICY AND THE POLITICAL PARTIES

The Soviet occupation troops took rapid measures to deal wit the administrative and economic chaos following the end hostilities. In addition to the few officials of the German admini stration who remained at their posts, a number of Social Demo crats and Communists—some genuine, some bogus—who ha survived at home or in concentration camps put themselves at th disposal of the Soviet authorities. The latter seemed to accept ther uncritically,* since the exodus of so many local governmen officials had made the execution of relief measures otherwis impossible. The first of the general orders issued either by th

iet Commander-in-Chief over his own signature, or for the iet Military Administration by the executive staff officer, were cerned with immediate measures of relief for the population: distribution of food, the return of a working system of public isportation, fuel and water supply, and the registration of Party :ials and ex-officers. These were followed by orders setting up organization of Soviet Military Government, which still ts today. The system of government by proclamation was :ially effective at that time, and came to be used for all purposes, n indulgences for political prisoners to the annual details of ng sowing. The brusque tone invariably adopted, by enhancing general fear of the Russians, helped to put energy into the man authorities, and the result of this early effort of reconiction was impressive. Streets were rapidly cleared of rubble, the transport services in the most heavily damaged cities were ost fully in operation by the middle of July. Mobile soup hens were provided for some cities. Similarly, industrial and cultural production was resumed at the first possible moment; Soviet authorities ordered factories known to have stocks of material to continue working. Inflation was also drastically cked by an almost complete blockage of bank accounts.

'he organization of the Soviet Military Administration, known he S.M.A., was almost exactly like that of the British and ericans, although the relative importance of individual departits was very different. The political advisors' office combined element of foreign office liaison with the military Commander, imon to all four occupying Powers, with a direct control of itical affairs in the Zone, which was unique. In addition, the itary element was greater in the S.M.A. than in the British :.G. or the American O.M.G.U.S. The headquarters of the 1.A., at Karlshorst, the Ascot of Berlin, controlled five procial S.M.A. in the capitals of the five provinces. Below these ie the local Kommandanturas in country districts (*Kreiskomidanturas*) and the town headquarters (*Stadtkommandanturas*). e intervening regional administrative unit of the *Regierungsirk*, taken over from the old Prussian system of administration, i eliminated during the early days of Soviet occupation.

'he German administration had been based on the land, with its -division into *Kreise* and the smallest units, the *Gemeinden* or nmunities. An administrative system was created by the ssians on these lines before the political unit of the province had

taken root again. The federal conception of the new Germa foresaw these provincial administrations, later to become elec governments, as the highest responsible units in the count Nevertheless, the Potsdam Agreement envisaged the formation German economic administrations common to all four Zones order to implement the expected economic unification of Germa These were formed for the Soviet Zone in Berlin in July a August 1945, allegedly as the nucleus for the all-German organi tion. Prospective officials were encouraged by the hope tl their experience and efficiency would make them acceptable to t other occupying Powers. For the time being, they were to act a German right hand to the S.M.A., with limited executive a advisory powers, and direct responsibility only to the S.M.A.

Political life in the Zone was inaugurated by an application fr four parties for recognition. These were the Communists, t Social Democrats, the Free Liberal Party, and the Christian Dem cratic Union. All four were soon organized on an inter-zonal bas All but the Communists were hampered by the absence of a clear-cut policy, so that much of the competitive spirit of politi was lacking; on the other hand, their supporters were not oblig to subscribe to a contentious programme. In spite of their meanin less numerical strength, they were in no position to risk Russi disfavour, and the relative strength of the three non-Commun parties had, of course, no influence over the administration of t Zone.

From the first, the Communists, though numerically tl weakest party, had certain solid advantages over their rivals. Th had, as always, a clear-cut policy and were capable of 'taking definite stand' (*Stellung zu nehmen*) on the important problems the day. They were sure, at worst, of the goodwill of the Russian Much of their own policy did not at first differ radically from th pursued by other parties, and could be presented as disintereste and non-partisan. Thus economic revival was advocated by parties, and the creation of a new trade union organization w advocated by Communists and Social Democrats alike. Tl destructive part of their work was carefully and skilfully knit in the denazification campaign. As late as 1948, all measures expropriation and nationalization still took place as part of tl denazification purge. Victims of individual acts of expropriatio were always branded as Nazis. Owners of estates over 10 hectares (250 acres) were not only 'big landowners', but

io Junkers or fascists. The 'bloc' of the Socialist Unity party the two bourgeois parties was not merely democratic, but antiist, and all its actions were designed to eradicate fascism. ost all major legislation during the first 2½ years of the occupawas allegedly anti-Nazi. Although it was clear throughout many that Eastern denazification was merely a label for social economic upheaval, the Communists proclaimed that their cy was nothing more than a thorough elimination of Nazis, and fed at Western denazification as a legalistic sham.

et politically the Communists made little headway during 1945 1946. Although the number of Communist officials in the vincial Governments and in the new central administrations far eded the proportionate size of the Communists as a party, e were many more Social Democrats than Communists in e; in the central administrations the other three parties outnbered the Communists by four to one. The Social Democratic ty had an overwhelming majority in the new Amalgamated des Union Council, which embraced all operatives as well as l servants. They retained a strong position in this Council in t Berlin as long as voting by ballot continued, and even in summer of 1949, when it was abolished, there were more exialists than Communists among its officials.

THE ESTABLISHMENT OF COMMUNIST CONTROL

The sequence of events—the amalgamation of Social Democrats l Communists into a Socialist Unity Party in 1946; the interws between Schumacher and Grotewohl; the secession of many tern Social Democrats to the West; the October 1946 elections ght on joint lists and resulting in a majority (though not an olute one) for the new party in all provinces—these facts are iliar. But the policy met with dismal defeat in Berlin, where Social Democrats under Western protection opposed the ity Party. On that day in April 1946 the process which created gulf between Eastern and Western Germany began: it reached climax in the blockade of Berlin. Although there were more Socialists than Communists in the new party, the allocation of positions to Communists in the provincial governments and the tral administrations became increasingly rapid. The original neers of reconstruction, mostly Independents and Social mocrats, either faded into mere figureheads or gave up their ts. Hopes of making the Central Administration a nucleus

acceptable to the other occupying Powers rapidly disappeaı though for some time the fiction was kept alive. Direct So pressure on official German bodies became more apparent fr the number of arrests, the instalment of M.V.D. liaison offic with each German administration, and enhanced propaganda join the Socialist Unity Party.

The constitutional history of the Zone for the next eight months is one of consolidation and gradual centralization. T central administrations became larger and their powers increas They now covered such non-economic fields as health, educati justice, and, by 1947, police, under the cover of internal affai During the summer of 1947 their increased powers and activit brought them into conflict with the jealously guarded federal in pendence of the provinces, a conflict only resolved by the Sov authorities after months of recriminations between import representatives of the dominating party. The outcome was t Economic Commission (August 1947), a new and suprer administrative organization, incorporating all the central admi strations. Its establishment pacified the provincial governments the allocation of key positions to the most energetic of the Co munist provincial ministers. It is a fitting commentary on t importance of Saxony that of its two chief ministers one becar deputy head of the Commission, a position perhaps more impo ant in Communist States than that of the titular head, and t other president of the police department.

Simultaneously a new organization of industry took plac Previously expropriated factories had been vested in the provinc and organized in provincial corporations under the direct control the provincial Ministries for Industry. In spring 1948 about tw thirds of this property was vested in the Economic Commissi under the name of 'People's Undertakings', as opposed to 'Pr vincial Undertakings'. It was officially stated that only centr control could make the most of the Zone's limited resources. first the zonal industry was administered directly by the appropr ate departments of the economic commission, a system of in dustrial organization quite unique among the different systems nationalized industry. In the summer of 1949, however, a r organization took place, which created a number of controlli trusts similar to those existing in the Soviet Union.

In the political field a more or less stable position had bee reached by the end of 1947. The dominant Socialist Unity Par

ained special privileges from the Russians, in the form of extra er allocations for their press, transport facilities for their ;ials and meetings, and corresponding restrictions on the vities of their opponents. The bourgeois parties had lost a nber of their leaders through flight and retirement; they existed sufferance. But the anti-fascist bloc ensured their support for ›ortant measures in the provincial parliaments, and associated m with the Communists in local affairs of a compromising kind, h as expropriation and the denunciation of alleged reactionaries l economic saboteurs. The Communists had imposed their trol on various technical and social associations, such as the ıdes Unions, the Farmers' Co-operative Movement, the Free rman Youth, and the Democratic Women's League, as well as organizations of Nazi victims. In all these fields their control ıained almost unchallenged, though Trade Union works ıncils occasionally put up opposition, for instance in cer- ı of the nationalized industries working on reparations, ere protests were made in July 1948 against rations and ;e-scales.

3ut opposition to the Socialist Unity Party was centred in ·lin. Even top-secret reparation figures appeared in the press re. Contact was maintained by ex-Social Democrats in the ıt with their colleagues in the West, and S.P.D. leaflets were steriously distributed from Berlin throughout the Eastern ne. Before the Soviet Zone could become a Communist State, ; gap had to be sealed off. Since the Socialist Unity Party was feeble an instrument in Berlin to achieve this end, the Russians l to mount a military blockade. Its failure showed the Russians ıt their control of Berlin was insufficient in face of Allied opposi- n, and in any case impossible, as long as a prosperous Western rmany continued to provide a contrast between the two adjacent ıtems. Even while the blockade was still going on, preparations ;an for the present unity campaign, backed by the creation of a lice army in the East. At the same time, the Russians consider- ly reduced their reparation demands to enable the East German ›nomy to attain the semblance of recovery. The lifting of the ›ckade in the spring of 1949 was the signal for an intensified opaganda campaign, addressed to the worst feelings of the ddle class in the Western Zones, while Marxist economists edicted a crisis of unemployment for the workers in Western rmany.

ECONOMIC POLICY

The Soviet Zone had undergone a remarkable economic revi in 1945 and 1946. Soviet measures showed a force and understar ing of the circumstances which was lacking in the West. Cre restrictions, the effective blocking of bank accounts, the tempor removal of liquid public assets, the partially successful attempt freeze prices, all these measures prevented the worst excesses the hoarding of food and consumer goods and price inflati Energetic steps were taken to prevent unemployment by ser compulsory recruitment for rubble-clearing and for the repair transport facilities. The resumption of production in the hea industry of the Zone was given high priority in the early comman of the S.M.A., and the system of personal managerial responsibili fortified by the prevailing fear of the Russians, made the Easte Zone a hive of economic activity in the first two years after the w. There are no accurate production figures for 1945, but the gr industrial production of the Zone for the last quarter seems to in the region of 720 million RM (1936 value) or 25 per cent of 19 production.[1] In 1946 this had risen to 6,130 million RM, or per cent of 1936, an improvement far greater than the comparat rise in the West.[2] The most impressive rise was in brown coal pr duction, potash, textiles, and timber, though the latter was due considerable deforestation for reparations. The repeated waves nationalization, which began early in 1946 and continued until t beginning of 1948, had given publicly-owned industry a hal share in the value of total zonal production by the beginning 1947, and a share of more than three-quarters by the beginning 1948. Perhaps the most far-reaching of all measures taken in tl Soviet Zone was the land reform, planned long before in Mosco and enacted during 1946. Before the war the largest proportio (33·7 per cent) of agricultural land was held in units of fro 50 to 250 acres, and 29·8 per cent in units of over 250, whi 13 per cent consisted of units over 1,250 acres. The land refor made 250 acres the maximum for private holdings, and the large area of agricultural land was now held in units of 12-50 acres The object of the measure was two-fold: the destruction of Junk property and influence, and the creation of an agricultural cla

[1] Estimate based on production figures per province from a private sourc
[2] Based on OMGUS *Statistical Handbook*, p, 40; and on official productio figures for coal and building material.
[3] Figures from *Die Bodenreform in Deutschland* (Deutscher Bauernverla Berlin, 1947).

h a stake in the régime. Although implements and agricultural chinery, which were very scarce, were owned communally der the control of the state-directed Farmers' Co-operative, the gestion of any further approach to collectivization was officially uted and considered seditious. Very recently a section of the cialist Unity Party, headed by Ulbrich, has apparently been ssing for further measures of 'land reform'.

The Soviet Zone, with its relatively good food supplies, has not fered greatly by the reduction of rations through the land orm. During 1946 output per acre, compared with 1938, was per cent less in grain and 27 per cent less in root plants. On other hand, the army of occupation lived off the land. Evidence out consumer ration scales is conflicting, but the official figures w no great divergence from those issued for the Western nes. But apparently the rations were generally met in their tirety, except in the largest towns, and the low plan figures of ricultural production made possible the distribution of the 'free rplus' in all years except 1947. On the whole, up to 1949, rkers' rations seem to have been slightly higher in the East than the West, while normal consumers' rations were slightly lower.

The effects of Soviet reparations policy made themselves fully t towards the end of 1946. The scale of dismantling was conlerable, and not confined to the outside limit to which the term ar industries' could be stretched. The controversial exaction of parations from current production, one of the causes of friction the Foreign Ministers' Conference, began in 1945, and was eatly extended as reparations in capital goods decreased. Much it was exported on Russian account direct from Berlin, and ve the Soviet Union the equivalent value in the flexible form of reign exchange. Finally, some 200 of the biggest and most odern German factories were transferred to the ownership of the viet Union, under the title Soviet Public Companies and by rtue of the Military Governor's Orders 124 and 126, dated ecember 1945. During 1947 seventy-four works were returned the Germans. In order to handle the production of these comnies as well as the export of reparations from current production, e Soviet trading caucus set up a special headquarters in Berlin uring 1946, in direct competition with the export of the Zone on erman account.

During 1947 the effect of reparation payments, and the supression of personal initiative among officials by the pressure of

political conformity, brought about a reaction from the activity 1946. This is reflected by output figures, and by increasin direct control of the Socialist Unity Party over the operation the factories. Production remained static; in some cases, such coal, it declined in comparison to 1946. In the spring of 1948 German Control Commission was instituted whose task it was supervise output in individual works according to the collecti and individual targets, and to report on blatant discrepanci Other standard Marxist methods for raising production were intr duced; rationing preferences and price preferences in spec shops were given to exemplary workers, and Stakhanovite brigad called in Germany 'Hennecke' brigades after a miner of th name, were organized. On 29 June 1948 the last touch was giv to the new economy by the substitution of a public one-year pl for 1948 and a two-year plan for 1949-50, instead of the former t secret annual production plans of the Central Administration a the S.M.A. This is now to be followed by a five-year plan. Tl provisions of the plan, with one or two exceptions—steel, f example—were modest. Even so, the 1948 figures remained part unfulfilled, particularly in the distribution of textiles and oth consumer goods. Since 1948 there has been a gradual thoug limited improvement. By the end of 1949 production had reach a level equal to about 76 per cent of 1936 value, with a corre ponding preponderance of heavy industry at the expense of tl consumer goods and industries envisaged by the Two-Year Pla On the other hand, the statement made by the East Germa Government that the Two-Year Plan is due to be completed i eighteen months does not correspond to the available figures f present production. The East is well behind with trade deliveri under the Frankfurt Agreement of 1949 for inter-zonal trade. Th may be due to deliberate policy. Western Germany is at prese more in need of the Eastern Zone as a recipient for its goods i order to keep up Western employment and production, than as supplier of food and timber. Consequently industrial circles i the West opposed the demands of the High Commission to suspen deliveries to the East until the arrears had been worked off. It i therefore probable that both the claims put forward by th East German Government on the subject of the internal econo mic position, and the non-fulfilment of its trading obligations, ar the economic counterpart to the political campaign of disruptio in the West.

THE PRESENT DEADLOCK

By the end of 1948 an Eastern Zonal Government existed in fact not in name. During the summer two new parties made their pearance; the Farmers' Co-operative officially entered politics, d the National Democratic Party, embracing Right-wing elements d pardoned Nazis and controlled at the top by Communists, peared as a wedge to interfere in Western German politics. It was ped to entice middle-class votes from the atrophied bourgeois rties in the East. But only the politics of the Socialist Unity rty were of real significance, and the Zone was run quietly by it party's Executive and Economic Commission. The creation of egislative People's Chamber (*Volkskammer*) and Government in 49 caused no significant change in the administration of the viet Zone, and merely completed the long process of centraliza-n. Its effect was to give official status to the People's Council *olksrat*), which had been in existence since September 1948 as an official semi-permanent council of popular delegates. The rsonnel of the new Government was largely provided by the ntral Secretariat of the Socialist Unity Party. But two significant ditions were made in the apparatus of government when the ist German Republic was announced. A Ministry of Foreign fairs was created, as a snub to the West, though its diplomatic presentatives are so far accepted only in the East European ople's Democracies. Early in 1950 a Ministry for State Security ok over the official anti-espionage and sabotage campaign, and, ore significantly, the control of the police army, allegedly 50,000 rong.

The situation in the Soviet Zone is now static. At present ermany is hopelessly divided, and the difference between East id West is apparent not only in the policies of the Occupying wers. It is reflected in the administrative methods, the economic ructure, and in an increasingly obvious divergence in social stems. The Russians have temporarily reached deadlock. The iantity of reparations from the Zone must continue to decline, eventual economic collapse is to be averted. The integration of istern Germany into any East European Union is not a popular ea in the Peoples' Democracies. The Russians are therefore at esent using their control of Eastern Germany to create a situa-on in Western Germany which might enable them to gain secret overt control there. But the knowledge of Soviet exploitation of eir Zone as well as of other territories has made the great majority

of Germans in the West profoundly anti-Russian. Finally, t existence of a strong middle-class and independent farming el ment in Eastern Germany, coupled with the general mistrust any system imposed by the Russians, will probably limit popul support for the Socialist Unity Party to the day the Soviet occup tion ends. The effective, because native, tyranny in most of t Peoples' Democracies is lacking in Eastern Germany. It is signi cant that the elections due in October 1949 were postponed foı year, once the May 1949 elections to the People's Council h shown that the popular position of the Socialist Unity Party h not improved after two and a half years of Communist rule.

P. N.

Political Developments in Brazil

BRAZIL'S first Republican Constitution, promulgated after tl fall of the Monarchy in 1891, proclaimed a Federative Republ formed by the perpetual and indissoluble union of the form Provinces in the United States of Brazil. Executive, legislative, an judiciary powers were declared to be 'harmonious and indepe dent', and autonomous States co-operated in the central govern ment through their representatives in Federal Senate and Chamb of Deputies. The President of the Republic was aided by Ministe of State, appointed and dismissed freely by him, and responsib to him alone: They could not be Members of Parliament, nc assist at sessions of Congress.

This concise democratic charter was replaced in 1934, durin the disturbed period following the 1930 revolution. The 193 Constitution, in turn, was superseded three years later to mak way for the dictatorship of Dr Getulio Vargas. Both documen altered fundamentally the form of government, and reflected th abnormal tendencies of minorities. They were thus doomed t rejection as soon as public opinion could again make itself hear

The Constitution of September 1946, drawn up by a freel elected Assembly after the deposition of Dr Getulio, restored th earlier form of government, amplified the precepts of social legisla

established in the 1934 Charter, and adopted a more liberal tude than either of its predecessors towards foreign capital. It stood the test of three difficult years, during which rulers and lic sought to re-adjust themselves to constitutional government. ngress had been suppressed during nine years, and the people not been called upon to vote since 1933. The old-established itical parties had disintegrated, and a number of others were tily formed on the eve of the elections. Fourteen groups were istered, a disproportionate number in relation to the numerical ngth of the electorate and the possible currents of public nion. Several had no political significance, and only the limited ional interest attaching to local leaders. With the exception of Socialists, Communists, and Integralists, few could claim a r-cut programme, and all might reasonably have been classified Conservatives or Liberals.

n December 1945 the Social Democratic Party, the P.S.D., nded by Dr Getulio Vargas, had elected the latter's former r Minister, General Eurico Dutra, as President of the Republic h the support of the newly-formed Brazilian Labour Party, of ich Dr Getulio was made the leader. The P.S.D. could claim e the majority, as well as the official, party, since it had secured seats out of 304 in the Federal Chamber of Deputies, and out of 772 in the State Legislative Assemblies; 2,477,628 votes re registered in its favour in the federal elections and 1,606,326 those of the States, as compared with 1,461,639 and 1,153,354 favour of the National Democratic Union, the predominant osition party. But the P.S.D. was by no means united. It luded in its ranks and among its leaders some of the most ent followers of Dr Getulio, secretly opposed to the new régime, well as a number of his bitter opponents. The National Democtic Union, the U.D.N., on the other hand, was closely knit in opposition to all that the Dictatorship had stood for. The cial party was thus vulnerable to any combination against it, l the Government had no assured majority to back its administion.

To add to the confusion, the 1945 Armistice had lifted the ban m Fascists and Communists, and both had secured seats in eral and State legislatures. The Brazilian Integralists, or Greenrts, mindful that Brazil had recently been at war to suppress cism, assembled discreetly under the banner of the Popular presentation Party. For a time they kept their notorious leader,

Plinio Salgado, in the background, and only brought him forwa in 1949, when he announced that the Integralists, at the fort coming elections, would fight all Leftist parties, Socialists as w as Communists. Much earlier, in 1937, he had declared war ind criminately on all parties. 'The nation,' he proclaimed, 'is o and indivisible, but parties divide the nation.' The Communi were in a more favourable position in 1946. Emboldened by t war-time alliance with Russia and the newly-developed toleran towards their creed, they presented themselves, undisguised, the Brazilian Communist Party, and acknowledged publicly th allegiance to Moscow.

All these disturbing and discordant elements contributed to t confusion that marked the return to constitutional governme and heightened criticism of the Constituent Assembly of 1946 a of the Charter it had elaborated. Left and Right extremists co demned it. Nationalists and Socialists generally considered it t liberal, either towards foreign capital or private initiative. T advocates of free enterprise regretted the increased opportuniti it gave for State interference in economic activities, and feared i restrictions would discourage investors from abroad. These co flicting views of antagonistic minorities seem to suggest that t 1946 Assembly had followed a reasonable middle course.

One serious flaw in the new Constitution is recognized by a Paragraph 3 of Article 26 establishes that the remuneration Judges (*Desembargadores*) of the Federal Courts must not be low than that of Magistrates of the same category in any State. conformity with this paragraph, the pay of Federal Magistrates w raised at the end of 1948 to equal that of their San Paulo colleague But this additional remuneration created anomalies, and the corre tion of these led to a whole series of others, so that, eventually, t rates of pay of all civil and military federal employees were r adjusted. An amendment was drafted in 1949 to suppress th curious insertion in the National Charter, which has cost t Treasury £25 million per annum. In accordance with the Constit tion an amendment, in order to be considered, must be present by at least one-quarter of the Members of either Chamber, or b more than fifty per cent of the State Legislative Assemblies with two years. It is held to have been accepted if approved in tw debates by an absolute majority of the Senate and Chamber Deputies in two ordinary, consecutive legislative sessions.

Another amendment to the Constitution was prepared in Mar

9, and obtained some support in the Lower Chamber, but le or none in the Senate. Its object is to replace the presi-ntial form of government by one in which Ministers are ap-nted by, and directly subordinate to, Congress instead of to President of the Republic. Periodic attempts have been made he past to alter the system introduced in 1891, and a minority the Constituent Assembly of 1946 succeeded in reducing it to present somewhat hybrid form. Ministers of State, although l appointed and dismissed by the President of the Republic, st now appear before either House if summoned to explain tters relating to their office. They are held responsible for the s they sign, either jointly with the President or by his orders, l may be tried by the Supreme Court if accused of common ne, or by the Senate if the charge is one of official misconduct. rther, Deputies and Senators may now accept appointment as nisters without surrendering their parliamentary mandates. The iation is somewhat anomalous, since it conflicts with the nciple that the Executive and Legislative Powers are separate l independent.

The parliamentary system, its advocates claim, reflects the true rit of democracy. Under its régime the Cabinet must obey the l of parliamentary majorities, and Parliament may be dissolved t ceases to represent public opinion. Their opponents agree in ory, but hasten to point out that, in practice, the system can ly work well when the public is sufficiently enlightened to derstand problems of government and influence the decisions its representatives. The parliamentary system, they add, was ponsible for the political instability of the latter years of the azilian Empire, but one wonders how any system would have od up to the bitter fight between slave-owners and abolitionists, d to the nation-wide struggle between Monarchists and Re-blicans. Parliamentarianism, they aver, is incompatible with the lerative form of government, in which Senate and Chamber of puties are equal and represent, respectively, the States and the ople. To make Ministers responsible to the Lower Chamber uld reduce the status of the Senate, whereas a Cabinet sub-linate to the Senate is removed from the orbit of the people, who directly represented by the Chamber of Deputies. The ltitude of arguments employed for and against each system ggests that it is the men who govern, rather than the forms of vernment, that count.

An amendment to the Constitution was drafted in March 19 to suppress the last vestiges of the presidential system, but appe to have little chance of success. It proposes that the President the Republic be elected by Congress, by secret scrutiny, instead by the people's direct vote; that his political responsibility annulled, and that all his acts be made subject to the approval o Council of Ministers. The latter could be overthrown on a moti presented by twenty Deputies, and approved by an absolu majority of the Lower Chamber. The Chamber of Deputies cou be dissolved by the President of the Republic at the request of t Council of Ministers, if it failed to obtain a vote of confidenc Ministers might intervene in the deliberations of Congress, a only members of the latter would be eligible to act as President the Council. The project stipulates that the Constitution of ea State must be adapted to the new régime within sixty days of t promulgation of the amendment.

The advocates of this alteration claim that the election b Congress of the President of the Republic will eliminate the polit cal agitation that now arises every five years on the occasion of presidential election. Its opponents argue that these periodic agitations are preferable to the constant administrative disorde which will arise when federal, State, and municipal legislatures a all liable to be dissolved at any moment owing to political intrigu

The new Constitution, although now in its fourth year, has n yet been fully implemented. A number of special laws to regula the application of constitutional precepts still await elaboratio or approval. As a consequence of this delay, many decree-law based on the 1937 Charter are still in force, although contrary t the principles adopted in 1946. Among these are the Nation Security Act of Dr Getulio Vargas, establishing the death penalty since abolished, for certain political offences; the decree authorizin the Labour Courts, when judging collective disputes, to fix wage throughout any branch of industry and commerce, an attribut now held to be unconstitutional and one that has caused muc hardship to small enterprises. The Petroleum Statute of 193 which nationalized the oil industry, and the 1941 Code of Mine reserving exploitation to Brazilians, are not in accordance with th more liberal Constitution of 1946, which admits limited foreig participation. A great deal has been done during the last thre years to develop mines and oil wells with national resources, bu many believe that foreign assistance is essential for rapid develop

it. A revised Petroleum Bill, approved by the National Security ncil, was accordingly submitted to Congress in February 1948, continues to meet with opposition from Nationalists and ialists.

aws are also required to regulate the organization of Trade dicates, the right to strike, and the participation of the employee he profits of his employer's business—all very controversial ects. Others, awaiting elaboration or approval, are needed to itute Rural Banks, to establish the regimen of public service panies and banking establishments, and to repress economic ses. Several projects, awaiting parliamentary approval, have inated with the Executive, but this circumstance no longer ures a quick passage through Congress. The Lower Chamber, articular, is jealous of its prerogatives, and the old subservience he President of the Republic has disappeared for the time ig. Moreover, the interval of harmonious working between ernment and Parliament, which resulted from the Three-y Agreement and the exclusion of the Communist Deputies y in 1948, was interrupted in the following year by the renewal olitical rivalries, due to the approaching elections.

'wo Bills based on the 1946 Constitution, the National Security and the law to prevent economic abuses, are meeting with p resistance. The last-named forbids agreements, transfers of res, and the grouping of individual enterprises with the object ontrolling national markets, restricting competition, or arbi-ily increasing profits. It creates an Administrative Council for nomic Defence, empowered to promote investigations and ommend the disappropriation or judical administration of any erprise found guilty of infringing the law; to fix the legal centage of profits in relation to capital, and control exports and orts of merchandise in respect of which abuses have occurred. hough considered by many to be excellent in theory, it is osed on the grounds that it gives unlimited scope for bureau-ic interference with legitimate business, and might, at some ure time, be converted into a political weapon.

'he National Security Bill is based on two constitutional clauses 'prohibit propaganda of violent measures to subvert political social order, and of class and racial prejudices', and the anization, registration, or functioning of any association whose gramme or action conflicts with the democratic régime, founded he plurality of parties and the fundamental rights of man'. The

corresponding article in the Bill establishes a minimum penalty two years' imprisonment for those who organize, direct, join, assist in any way an association that aims at altering the polit or social order by illicit means. Another article establishes term imprisonment for those who 'make verbal attacks on governm agents, or spread false or alarming news in order to provoke order'. Both are opposed as being contrary to democratic princip and liable to elastic interpretation. Any attempt to amplify powers of the Executive or restrict individual liberties arou immediate reaction to-day.

Brazil, in fact, is passing through a phase of transformation. T old easy-going acceptance of existing conditions, political, soc and economic, has given place to an impatient demand for chan A kind of perennial 'divine discontent' prevails. Press and pub ignoring the advances made in recent years, demand ever quic progress. The improvement in social conditions, the progress modernization of methods of production, the development communications and expansion of industry are forgotten. O the much that remains to be done in this vast, sparsely-popula country of limited financial resources is remembered. And t restless urge, held in check by hard facts and old-establish practices, provokes unrest. Reformers proclaim the need for ad tional social services, for which no funds are available. Wa earners, now better clothed and fed, demand still higher pay fr over-burdened employers. Salaries are raised and hours of w shortened, while labour is scarce and producers need new equ ment to maintain output. Federal and State authorities, reluct to slow down development schemes, increase taxation and agg vate the discontent caused by rising costs of living.

This widespread uneasiness, a natural product of the time, a of no serious import, is fanned by the professional agitators. Co munists, spurred to activity by Moscow, began a campaign incitement to violence when the notorious 'peace conferenc failed. Militant Bolshevists penetrate orderly gatherings of citize assembled to voice opinions on matters of the day, and conv them into scenes of uproar, so that the police are obliged to int fere. Police intervention is then represented as an unjustifi attack on individual liberties, and public opinion is roused agai the Government.

Culturally and socially Brazil is changing. A National Resea Council has been founded in accordance with the recommen

ıs of the Latin-American Scientific Conference, held at Monte-
eo in 1948. Scientific work is being organized on a broad basis
ead of being left to a few specialized bodies, working inde-
dently. New universities and advanced technical training
tres have been opened, and foreign experts engaged to assist
educational establishments and Government departments.
orance and a low standard of health in the remote interior are
longer accepted as inevitable. Federal, State, and municipal
horities now combine with charitable institutions and student
ociations to combat illiteracy. Primary schools are being opened
he rate of three thousand yearly, and night classes for adults
held in public buildings and private homes in every munici-
ity. A nation-wide campaign has been launched to fight disease
l teach notions of health and hygiene in rural districts. Malaria,
scourge of all low-lying regions, is being rapidly controlled
h the aid of new disinfectants. Local health services, with in-
quate resources, have been brought under a central organization
ich contributes funds, staff, and skilled direction. The ultimate
ı is to ensure one general hospital bed, with the necessary
sonnel, for every five hundred persons throughout the country.
At the same time, since the standard of health cannot be raised
hout improving economic conditions, a systematic effort is
ng made to develop the natural resources of backward zones.
iterfalls are being harnessed and power stations built. The
nistry of Agriculture imports fertilizers, machinery, and pedi-
e stock to be distributed to farmers at cost price. Road, rail,
l river communications are being developed, and each produc-
area is to have its factories to industrialize its own raw materials
animal, vegetable, and mineral origin. By these means it is
oed to increase supplies of essential commodities at low cost,
ovide remunerative employment, and check the exodus of
isants to the towns, where their inadaptability creates a serious
oblem for local authorities.

Such manifold services impose a heavy burden on federal re-
irces, a burden which is aggravated by the parallel schemes of
Executive and Legislative Powers. In May 1949, in accordance
h the Constitution, the President submitted the estimates for
50 to Congress, with revenue and expenditure approximately
anced at 20,000 million cruzeiros, or £380 million. Senators and
puties, eager to assist needy constituencies, added numerous
tional grants to those already authorized for public utilities and

social services, and returned the estimates to the Executive wit deficit equivalent to £66·8 million.

Such exceptional budgetary disorder is attributed to the ne ness of the elections, to be held in October this year to elect new President and State Governors, and to renew the Cham of Deputies and State Assemblies. The question of Gene Dutra's successor has been exercising the minds of politici since March 1949. The 1946 Constitution, unlike that of 18 does not stipulate that the President shall be elected by an absol majority of votes, that is, by more than fifty per cent of the to deposited. It is possible, therefore, if several parties nomin candidates, that he who secures the largest number of votes n not represent the choice of a sufficient majority to ensure sta government.

To obviate this danger, General Dutra has urged the leaders the coalition parties to nominate a common candidate, but (antagonisms and party interests have proved too strong. T Three-Party Agreement collapsed under the strain, and the Soc Democrats, unable to agree among themselves, split up into d cordant groups. Towards the middle of May this year the Natio Democratic Union nominated as its candidate Air Brigad Eduardo Gomes, who was defeated in the 1945 elections, and t Republican Party will probably support him. The Brigadier, man of uncomprising attitudes, non-political and highly esteem is certain to meet with strong opposition in certain political circl A campaign was spontaneously launched in his favour by the F students at the end of 1949, and has been taken up enthusiastica by the people in many parts of the country.

Following immediately on the nomination of Eduardo Gomes the U.D.N., the P.S.D. leaders announced the adoption of Christiano Machado as their candidate, subject to confirmati at the Party Convention, which has been repeatedly postpone The nomination is meeting with opposition among the Rio Gran do Sul members, and to a lesser extent among those of Min Geraes, where Sr Machado leads the liberal wing of the P.S I The dissident members of the Party favour Sr Nereu Ram Vice-President of the Republic and, until recently, leader of t P.S.D. They are seeking the support of the ex-Dictator, I Getulio Vargas, leader of the Brazilian Labour Party, and of Ademar de Barros, the unconventional Governor of San Pau and leader of the Progressive Socialists. Sr Ademar, who was

time a probable candidate for the Presidency, is now ineligible, ing to his reluctance to hand over his post to the Vice-Governor, olitical opponent, within the period allowed by the Constitution. Dr Getulio has a very considerable following among his old itical friends and among the workers, who received from him ir first code of social laws. He is being ardently courted by eral groups, including a section of the P.S.D., but receives all vances coyly, refusing to commit his Party until an official nouncement is made at the forthcoming Convention, scheduled follow that of the P.S.D. As confusion increases, so does the bability that he will himself become a candidate for the next sidency.

The situation is unusually obscure this year. A candidate's nce of election is often estimated by the electoral strength of his te, rather than of his Party. The united support of either San ılo or Minas Geraes, which have twice the population of any er federal unit, is almost conclusive, but this year both are rply divided politically. The two principal parties must, there- e, seek party, instead of regional, alliances. The Brazilian cialist Party has declared officially that it will support no candi- e who does not include in his programme the policy of a State nopoly for oil, hydraulic energy, and coal. Communists and egralists, the only truly disciplined groups, will certainly vote directed by their leaders. The support of the former, although ir organization has been declared illegal, will not be negligible otes are dispersed among several candidates, and if the general olic shows little interest in the elections. For in January 1947 y 66 per cent of the electorate appeared at the polls.

R. G. W.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHI

THE WORLD TODAY
Volume VI No. 8 August 1950

*

Korea

A Chronology of Principal Events, 1945-50[1]

[1 Dec. 1943—Cairo Conference: declaration by United States, nited Kingdom, and China that in due course Korea was to become ee and independent.]

1945

'The exact details of the origin of the 38th parallel as the dividing line e obscure because of the high secrecy which surrounded all matters ncerning Russian participation in the war against Japan. The first ep was taken at Yalta in February 1945 when the Soviet Union ecified its willingness to join the war in the Far East and set a date for at entry three months after VE Day. In staff conferences at Yalta, orth Korea was designated as a Soviet zone of military operations, and uth Korea as an American zone. At the Potsdam Conference five onths later, this general understanding was formalized by the Chiefs- -Staff, and the 38th parallel—almost exactly mid-way between the alu River in the north and the Korean Straits in the south—was osen as the dividing line. When Japan capitulated a few weeks later, ference was made to the same line, north of which Japanese forces ere to surrender to Russia and south of which they were to surrender the United States.'[2]

8 *Aug.*—U.S.S.R. declared war on Japan and subscribed to Potsdam claration (which confirmed the Cairo Declaration).

15 *Aug.*—Japan surrendered.

7 *Sept.*—General MacArthur announced the establishment of control d the assumption of all governmental authority in South Korea.

9 *Sept.*—U.S. troops formally accepted surrender of Japanese forces uth of 38th parallel. U.S. Military Government set up.

Nov.—South Korean Communists pass resolution protesting against usteeship proposal.[3]

27 *Dec.*—Moscow Conference statement. U.S., U.K., U.S.S.R. (and ter China) agreed as follows: Joint U.S./U.S.S.R. Commission to be rmed from U.S. Command in South Korea and from U.S.S.R. Com-

[1] Replacing, in this issue, the usual Notes of the Month
[2] George M. McCune (formerly Korea Desk Officer, U.S. State Department), *Pacific Affairs*, March 1947, pp. 4–5.
[3] U.S. Military Government, *Summation on Korea*, November 1945.

mand in North Korea, to consult with Korean democratic parties a[nd] social organizations, to assist in the formation of a provisional Kore[an] democratic Government, and then in participation with this Gover[n]ment 'to work out measures for helping and assisting (trusteeship) t[he] political, economic, and social progress of the Korean people, t[he] development of democratic self-government, and the establishment [of] national independence of Korea. The proposals of Joint Commissi[on] shall be submitted, following consultation with the provisional Kore[an] Government, for the joint consideration of the Governments of t[he] U.S.S.R., United States of America, United Kingdom, and China f[or] the working out of an agreement concerning a four-Power trusteesh[ip] of Korea for a period of up to five years'.

29 *Dec.*—Demonstrations against trusteeship in South Korea.

1946

3 *Jan.*—Communist Party and affiliated groups in South Kor[ea] announced support for Moscow decision (including trusteeship).[1]

16 *Jan. to* 5 *Feb.*—Joint U.S./U.S.S.R. Conference in Korea unab[le] to agree on economic and administrative co-ordination of the two zon[es].

21 *Jan.*—Moscow radio reported to have described a 'wave [of] popular demonstrations' in North Korea supporting the Moscow Co[n]ference decision in favour of trusteeship.

19 *Feb.*—North Korean interim government reported to have been s[et] up following meetings on 8–9 February of representatives of the fi[ve] northern provinces who elected twenty-five members of an 'Interi[m] People's Committee' designed to hasten a provisional democrat[ic] Government for all Korea.

20 *Mar. to* 8 *May*—Joint U.S./U.S.S.R. Commission, provided f[or] by the Moscow Agreement, met in Seoul but was unable to agree as [to] which Korean parties and social organizations should be consult[ed] before the formation of a provisional Korean Government.

8 *May*—American statement issued attributing breakdown of t[he] Commission to the refusal of the Russian delegates to admit to consu[l]tation any parties and organizations opposed to the Moscow decisio[n] which would in the American view have excluded a majority of t[he] Korean people.

15 *May*—An article in *Izvestia* attributed the breakdown of t[he] Commission to the fact that 'the Soviet delegation insisted that t[he] Commission consulted only those parties and public organizations th[at] completely recognize and support the Moscow decisions', while t[he] 'American delegation presented a list of twenty democratic parties an[d] public organizations in South Korea, which included only thr[ee] democratic parties of the Democratic National Front, which unites t[he] most progressive and genuinely democratic parties of South Korea'.

30 *Aug.*—U.S. State Department statement of policy.[2] (U.S. wi[ll] uphold commitments in Korea and believes in the right of the Kore[an]

[1] U.S. Military Government, *Summation on Korea*, January 1946.
[2] Text in *New York Times*, 31 August 1946.

ple to determine for themselves the kind of economic and democ political organization they require.)
Sept.—U.S. Military Government placed Koreans in charge of inistration, retaining advisory status.
Dec.—South Korean Interim Legislative Assembly met. Mem selected by U.S. Commanding General 'as a fair cross-section of ean political thought' after nomination by and consultation with tical leaders.[1]

1947

7–20 *Feb.*—A congress of representatives of the 'People's Commit- of Northern Korea was held in Pyongyang and passed 'a law ing up a People's Assembly of Northern Korea as the supreme iority in Northern Korea until the formation of the Provisional nocratic Government of Korea'.[2]
1 *Feb.*—The People's Assembly, 'elected by the Congress of ple's Committees', held its first session.[2]
2 *Feb.*—'The People's Assembly unanimously approved the com- ition of the People's Committee of Northern Korea . . . set up by sident Kimirsen . . .' (i.e. the Government of Northern Korea).[2]
Apr.—U.S. Secretary of State, Mr Marshall, in a letter to Mr lotov proposed new meeting of Joint U.S./U.S.S.R. Commission. letter declared the policy of the U.S. towards Korea to have the owing basic objectives: '(1) to assist in the establishment as soon as cticable of a self-governing sovereign Korea, independent of foreign trol and eligible for membership in the United Nations; (2) to ure that the national government so established shall be represen- ve of the freely expressed will of the Korean people; (3) to aid the reans in building a sound economy as an essential basis for their ependent and democratic State'.[3]
9 *Apr.*—Mr Molotov replied to Mr Marshall agreeing that U.S./ S.S.R. Commission in Korea should resume its work 'on the basis of exact execution of the Moscow Agreement' and should 'present the ilt of its work on the elaboration of recommendations with respect he establishment of a provisional democratic Korean Government consideration by the two Governments in July and August 1947'. considered 'of primary importance the establishment of a provisional nocratic Korean Government on the basis of a wide-scale parti- ation of Korean democratic parties and social organizations, in order expedite the political and economic unification of Korea. . .'[3]
May—Further letter from Mr Marshall to Mr Molotov on basis for umption of work of Joint Commission, reiterating that this must lude 'respect for the democratic right of freedom of opinion'.[3]
May—Mr Molotov's reply, agreeing to admit for consultation those ties which would support trusteeship proposals agreed by the nt Commission.[3]

U.S. Military Government, *Summation on Korea*, December 1946.
Soviet News, 7 March 1947.
U.S. Department of State Publication 2933 (Oct. 1947).

Mr Marshall announced a proposed plan for a long-range programm of economic rehabilitation for Southern Korea, estimated to cost $5 m. over the following three fiscal years.

21 *May*—Joint Commission met.

11 *Aug.*—Letter from Mr Marshall to Mr Molotov stating that t two delegations to the Joint Commission had been unable to agree the Korean political parties and social organizations to be consulted an proposing that they report progress. In his letter Mr Marshall offered limit oral consultation to parties with a membership of over 1,000 or an other reasonable figure (there were numerous small parties in t American zone).[1]

23 *Aug.*—Letter from Mr Molotov to Mr Marshall rejecting a suggestion for consultation with any parties 'belonging to the ant Trusteeship Committee' and proposing a minimum membership 10,000. The letter also alleged U.S. persecution of parties in Sou Korea favourable to the Moscow decision.[1]

26 *Aug.*—U.S. Note on Korea proposing a conference of fo Pacific Powers (China, Great Britain, U.S.S.R., and U.S.) to discu how proposals made by them at the Moscow Conference (Decemb 1945) could be carried out.[1]

4 *Sept.*—U.S.S.R. Note in reply rejected proposal for Four-Pow Conference and proposed a 'provisional general Korean people assembly of representatives of democratic parties and social organiz tions of all Korea'.[1]

17 *Sept.*—United States put the Korean problem before the U.N.

23 *Sept.*—U.N. Assembly placed subject on its Agenda.

26 *Sept.*—Soviet delegate to Joint Commission proposed simu taneous withdrawal of Soviet and American Occupation Forces.

14 *Nov.*—U.N. Assembly adopted U.S. Resolution by 43 votes t none (U.S.S.R. and others abstaining). The Resolution provided tha since the Korean question 'is primarily a matter for the Korean peop itself and concerns its freedom and independence, and recognizing th this question cannot be correctly and fairly resolved without the par ticipation of representatives of the indigenous population', a Unite Nations Temporary Commission on Korea be established to observe th carrying out of elections for a National Assembly in Korea, to be hel not later than 31 March 1948 'on the basis of adult suffrage and b secret ballot', and the formation thereafter of a national Governmen

The Resolution further recommended 'that immediately upon th establishment of a National Government, that Government should, i consultation with the Commission: (*a*) constitute its own nationa security forces and dissolve all military or semi-military formations nc included therein; (*b*) take over the functions of government from th military commands and civilian authorities of North and South Korea and (*c*) arrange with the occupying Powers for the complete withdrawa from Korea of their armed forces as early as practicable and if possibl within ninety days.'

[1] U.S. Department of State Publication 2933 (Oct. 1947).

1948

2 *Jan.*—U.N. Commission met in Seoul. Commission consisted of resentatives of Australia, Canada, China, El Salvador, France, ia, the Philippines, Syria, and Ukraine (who refused to participate), ler the chairmanship of K. P. S. Menon, India. The Commission pted a Resolution that 'Every opportunity be taken to make it clear t the sphere of this Commission is the whole of Korea and not rely a section of Korea'.

3 *Jan.*—In a letter replying to a request from the Commission to t North Korea, Mr Gromyko said: 'We find it necessary to remind of the negative attitude taken by the Soviet Government towards establishment of the U.N. Commission on Korea, as already stated the Soviet delegation during the second session of the General embly.'

t was announced that Mr Gromyko had informed the U.N. Secriat of the refusal of the Soviet commander in North Korea to eive a courtesy call from the chairman of the U.N. Commission.

6 *Feb.*—The Interim Committee of the United Nations (the 'Little embly'), to which the Commission reported the Soviet attitude, ised the Commission 'to proceed with the observance of elections in Korea, and if that is impossible, in as much of Korea as is accessible t'.

Mar.—*Tass* report from Korea that North Korean People's Assem- had drafted a Constitution for a Democratic People's Republic ch claimed sovereignty over all Korea.

9–28 *Apr.*—Joint North-South Korea Conference summoned in ngyang (North Korea) by the People's Committee of North rea, attended by political leaders including non-Communists from ith Korea. A communiqué was issued on 23 April condemning the ding of 'separate elections in South Korea in order to strengthen the iting temporary division and retard the unification of our country the restoration of its independence' and demanding 'the immediate ioval of the U.N. provisional commission from Korea, since this mission is being used to divide Korea'. It urged the immediate hdrawal of U.S. and Soviet troops as a preliminary to nation-wide tions for a central Government.[1]

o *May*—Elections for a National Assembly held in South Korea ler the observation of U.N. Temporary Commission.

J.N. Commission subsequently (25 June 1948) adopted a Resolution ing that 'a reasonable degree of free atmosphere wherein the demotic rights of freedom of speech, press and assembly were recognized respected' had existed during the elections; and that the results stituted 'a valid expression of the free will of the electorate in those ts of Korea which were accessible to the Commission and in which inhabitants constituted approximately two-thirds of the people of Korea.'

1 *May*—National Assembly met and elected Dr Syngman Rhee as irman.

Soviet News, 29 April 1948.

12 *June*—National Assembly passed a resolution inviting Nor Koreans to elect delegates. (Invitation ignored.)

29 *June*–5 *July*—Second North-South Korea Conference held Pyongyang. 'The conference decided to set up an elective Supren People's Assembly of Korea, and to form a single Korean Governme composed of representatives of North and South Korea.'[1]

10 *July*—A Constitution on Soviet lines reported to have be adopted in North Korea.

12 *July*—The National Assembly (South Korea) adopted the Co stitution of 'The Democratic Republic of Korea'.

20 *July*—Dr Syngman Rhee elected President of the Republic.

12 *Aug*.—U.S. State Department announced that 'pending consider tion by the General Assembly . . . of the report of the U.N. Tempora Commission on Korea, the United States . . . is sending to Seoul special representative . . . authorized to carry on negotiations' on tl withdrawal of occupation troops and the taking over of the functions government.

15 *Aug*.—U.S. Military Commander announced: 'Effective at mi night tonight, the U.S. Military Government in Korea ceases to exist A Civil Affairs Section was set up to transfer authority to the Korea Government.

25 *Aug*.—Elections reported in North Korea for a Supreme People Assembly.

Protest by some of the South Korean signatories to first North-Sout Korea Conference against holding of elections and establishment separate republic in North Korea.[2]

2 *Sept*.—First session of Supreme People's Assembly (North Kore elected 'in a genuinely democratic manner', and representing 'th interests of the working people of entire Korea'. Of the 572 deputie 360 were claimed to represent South Korea and 212 North Korea.[3]

9 *Sept*.—Supreme People's Assembly finally adopted the Constitu tion of the Korean People's Democratic Republic.

19 *Sept*.—Soviet Government announced that all Soviet troops woul be withdrawn from Korea by the end of December.

12 *Oct*.—Stalin agreed to exchange of Ambassadors with People' Democratic Republic of Korea.

19 *Nov*.—The President of the Republic of Korea said that he wa asking for an assurance that United States troops would remain in th country, or be replaced by an American naval and military mission.

8 *Dec*.—The first committee of the General Assembly voted on joint resolution put forward by Australia, China, and U.S.A. callin for U.N. recognition of the Republic of Korea, advocating withdrawa of troops as early as practicable under U.N. supervision, and continua tion of a U.N. Commission in Korea.

10 *Dec*.—U.S. signed Aid Agreement with the Government of th Republic of Korea (South) providing assistance under E.C.A. invol

[1] *Soviet News*, 13 July 1948.
[2] U.S. Department of State Publication 3305 (October 1948).
[3] *Soviet News*, 14 September 1948, quoting *Pravda*.

g estimated expenditure of $300 m. over a three-year period.
2 Dec.—First Committee Resolution (of 8 December) was passed in Assembly by 48 votes to 6 with 1 abstention. Also further resolved t a United Nations Commission on Korea, should '(a) lend its d offices to bring about the unification of Korea and the integra- i of all Korean security forces in accordance with the principles laid vn by the General Assembly in the Resolution of 14 November 1947; seek to facilitate the removal of barriers to economic, social and other ndly intercourse caused by the division of Korea; (c) be available for ervation and consultation in the further development of represen- ve government based on the freely expressed will of the people; observe the actual withdrawal of the occupying forces and verify the of withdrawal when such has occurred; and for this purpose, if it so ires, request the assistance of military experts of the two occupying vers'.

o *Dec.*—Mr Hoffman, at press conference in Washington on return n inspection of Recovery Programmes in Europe and Asia, said that :.A. hoped to take over Korea's economic aid programme from the ny shortly after 1 January 1949. He said that the new Republic of ea might well become a bastion of democracy in the Far East. ut $125 m. had been earmarked from Army Occupation funds to y out recovery till the end of June 1949.

5 *Dec.*—Withdrawal of Soviet troops from northern Korea reported *Tass* to have been completed.

1949

Jan.—Formal recognition of the Republic of Korea by the U.S.

8 *Jan.*—British Foreign Office announced that the British Govern- it had recognized the Government of the Republic of Korea.

o *Apr.*—U.S. Secretary of State, Mr Acheson, said that projected idrawal of United States troops from southern Korea did not mean end of United States aid to the republican regime there.

June—President Truman's Message to Congress proposing $150 m. th of new economic aid for Korea. 'Korea has become a testing ind in which the validity and practical value of the ideals and prin- es of democracy which the republic is putting into practice are being ched against the practices of communism which have been imposed n the people of North Korea. The survival and progress of the ublic toward a self-supporting stable economy will have an immense far-reaching influence on the people of Asia. . . The United States a deep interest in the continuing progress of the Korean people ard these objectives (self-government, independence of foreign trol, support and membership in the United Nations). The most ctive practical aid which the U.S. can give toward reaching them be to assist the republic to move toward self-support at a decent idard of living. . . If we are faithful to our ideals. . . we will not fail rovide the aid which is so essential to Korea at this critical time.'

June—The Department of State issued a statement of policy on ea, pointing out that the completion of the withdrawal of U.S.

occupation forces in the near future 'in no way indicates a lessening the United States interest in the Republic of Korea'. The Acti Secretary of State, Mr Webb, told the House Foreign Affairs Comm tee: 'If we do not do all in our power, consistent with our world-wi obligations, to assist this outpost of freedom so that it will have 1 opportunity to survive, countless millions of the peoples of Asia v begin to doubt the practical superiority of democratic principles.'

23 *June*—Mr Acheson told the House Foreign Affairs Commit that without the proposed assistance of $150 m. in United States a 'South Korea will have an almost insuperable task in maintaining fr dom and independence'.

30 *June*—Meeting in Pyongyang of Constituent Congress of Unit Democratic Patriotic Front, which issued manifesto calling for '. . . t immediate withdrawal of the American troops from South Korea, t withdrawal from Korea of the United Nations Commission, and i full independence of the homeland', and announced that it wou sponsor nation-wide elections on 15 September to create a 'unifi Legislature'.

U.S. Army stated that the last U.S. troops had left Korea.

1 *July*—A formal report of the House Foreign Affairs Committ reported that Mr Acheson had told the Committee that the Republic Korea would fall within three months if Congress rejected the Admi stration's recovery programme for that country.

25 *July*—In connection with President Truman's Message to Co gress on appropriations for military aid, the State Department a nounced that this included over $300 m. for such countries as Gree Turkey, Korea, the Philippines, and Iran. In his Message the Preside had said that 'the new Republic of Korea, established as a result free elections held under the auspices of the United Nations, is menac by the Communist regime in the northern part of the country. With t advice and assistance of the United States, the Korean Government h established a small force to protect its internal security and defe itself against outside aggression, short of a full-scale war. Equipme has been requested from the United States for minimum army a coastguard forces. It is essential to the survival of the Korean Republ that this assistance be made available'.

21 *Oct.*—General Assembly voted by 48 votes to 6 to maintain t U.N. Commission on Korea. The members were to be Australia, Chin El Salvador, France, India, the Philippines, and Turkey.

1950

19 *Jan.*—U.S. House of Representatives rejected by 193 votes to 1 a Bill for financial aid to Korea.

20 *Jan.*—Mr Acheson, commenting on the defeat of the Korean A Bill in a letter to President Truman, declared: 'This action, if n quickly repaired, will have the most far-reaching adverse effects up our foreign policy, not only in Korea but in many other areas of t world. . . The members of the United Nations . . . look to our conduct Korea as a measure of the seriousness of our concern with the freedo

and welfare of peoples maintaining their independence in the face of great obstacles.'

7 *Mar.*—Mr Acheson, testifying to the Senate Foreign Relations Committee in support of a Bill to authorize a further $100 m. aid for Korea, remarked that 'economic assistance from the United States has contributed already to the ability of the Korean people to move toward economic independence'.

3 *Apr.*—Note from U.S. Secretary of State to Korean Ambassador: '... It is the judgement of this Government that the financial situation in Korea has already reached critical proportions... Unless the Korean Government is able to take satisfactory and effective measures to counter these inflationary forces, it will be necessary to re-examine ... the ... assistance programme in Korea... Of equal concern to this Government are the reported intentions of the Korean Government ... to postpone the general elections ... United States aid .. to the Republic of Korea has been predicated upon the existence and growth of democratic institutions within the republic...'

8 *Apr.*—President Syngman Rhee reported to have stated that one thousand South Korean soldiers and policemen killed and two thousand wounded in the previous year was 'the measure of the cold war in Korea'.

2 *May*—Senator Tom Connally, Chairman of the Senate Foreign Relations Committee, was reported as having said that the Communists could overrun and take over all of Korea and Formosa, but that he did not personally attach too much strategic importance to Korea in the United States master defence strategy in Asia. It was not his view that the United States should seriously consider abandoning southern Korea. He was afraid that it was going to be seriously considered, because it was going to happen whether they wanted it or not. 'I'm for Korea. We're trying to help her—we're appropriating money now to help her. But South Korea is cut right across by this line—north of it are the Communists, with access to the mainland—and Russia is over there on the mainland. So that, whenever she takes a notion she can just overrun Korea just like she probably will overrun Formosa when she gets ready to do it'.

8 *May*—E.C.A. report for last quarter of 1949 showed that authorizations for Korea during 1949 totalled $71 m., most of it to finance fertilizer, fuel, and raw cotton imports.

29 *May*—The Pyongyang correspondent of the Peking *People's Daily* in a report on the 'bogus elections' in South Korea and the 'anti-election struggles' said that 'the United Nations Commission for Korea does its part of the dirty work by proclaiming that the elections are proceeding "in an atmosphere of freedom" '.

30 *May*—Elections for a new National Assembly held in Republic of Korea (South) under the observation of the U.N. Commission. The results were: Parties supporting Syngman Rhee, 49 seats; parties opposing him, 34; other parties, 6; Independents, 130 (of whom about 40 appeared to support Syngman Rhee).[1]

[1] *Neue Zürcher Zeitung*, 7 June 1950.

1 *June*—Mutual Defence Assistance Programme first h report (sent to Congress by President Truman) included a pı authorize $27½ m' for military aid to Persia, Korea, and the Ph

5 *June*—Foreign Aid Authorization Bill signed by President It included $100 m. for economic aid to Korea.

8 *June*—A North Korean broadcast condemned the Soutl elections as fraudulent, stating that a 'majority of the voters ı vote and election booths have been destroyed' (a U.S. rep that between 86 and 90 per cent of the 8 m. registered voters that there was little or no violence), and called for a nation-wid in August for a unified legislative organ. The U.N. Commi the President (Syngman Rhee) and Prime Minister (Lee Bun the Republic of Korea were to be barred from participating.

19 *June*—Mr John Foster Dulles, Special Adviser to the U Department, addressed the South Korean National Asser said: 'The eyes of the free world are fixed upon you . . . As you here a wholesome society of steadily expanding well-being, set up a peaceful influence which will disintegrate the hold Communism on your fellows to the north and irresistibly dı into unity with you.'

20 *June*—Decree passed by the Presidium of the Supreme Assembly of the Democratic People's Republic (North Koı New China News Agency (26 June) reported: 'The proposal the following points:

(1) That a unified all-Korean legislative body be jointly set Supreme People's Assembly of the Korean Democratic Republic and the National Assembly of South Korea. (2) Tha Korean legislative body, set up as above, should enact the coı of the Republic and organize the government of the Republic a general election for an all-Korean legislature will be held on of the republican constitution. (4) That in order to achieve p the unification of the country and enable the all-Korean legisla to proceed with normal activities, the following conditions a pensable:

(*a*) National traitors Syngman Rhee, King Sung Chu, Li B Sin Sen Mo, Chai Byung Duk, Baik Sung Uk, Chyo Byung Chi Yung, and Sin Byng U, who are the arch criminals ob the peace and unification of the fatherland, must be arr Freedom of speech, publication, assembly, and demonstrat be guaranteed. (*c*) The suppression of democratic politica social organizations and their representatives must be sto political prisoners must be freed and complete freedom gu for all democratic political parties and social organizations on their activities.

(5) The government organized by the legislative body must existing separate armies, police and security forces into sing cratic military, police and security forces. (6) The United Korean Commission which serves as America's tool in spli colonizing Korea must withdraw immediately. The Korea

must reject foreign intervention and settle the problems of peace and unification in their own country by their own efforts'.

25 *June*—Armed forces from North Korea began an attack against South Korea. The U.N. Commission cabled that operations were assuming the character of full-scale war which might endanger international peace. The U.N. Secretary-General stated that the Security Council had a clear duty to take immediate steps to restore the situation.

25 *June*—Security Council met and passed by nine votes to none with one abstention (Yugoslavia) a U.S. resolution which stated: 'The Security Council, recalling the findings of the General Assembly . . . that the Government of the Republic of (South) Korea is a lawfully established Government . . . based upon elections which were a valid expression of the free will of the electorate. . . taking into account . . . the invasion . . . by armed forces from North Korea, determines that this action constitutes a breach of the peace; 1(*a*) calls for the immediate cessation of hostilities; (*b*) calls on the authorities of North Korea to withdraw their armed forces to the 38th parallel. . . .; (3) calls upon all members to render every assistance to the United Nations in the execution of this resolution and to refrain from giving assistance to the North Korean authorities.'

27 *June*—President Truman announced that in pursuance of the request of the Security Council to 'all members of the United Nations to render every assistance . . . I have ordered United States air and sea forces to give the Korean Government troops cover and support'.

U.S. State Department announced that the U.S.S.R. had been asked to 'use its influence with the North Korean authorities for the withdrawal of the invading forces'.

North Korean statement: 'The Security Council discussed and adopted a decision on the Korean question ignoring the Korean People's Democratic Republic and without the participation in it of its representative. There was also absent from the meeting of the Council the representative of such a State as the U.S.S.R. and the representative of such a power as China was not permitted to attend. For this reason the Government of the Korean People's Democratic Republic declares that it considers illegal the discussion of the question and the decision adopted by the Security Council.'

28 *June*—*Soviet News*, in an article on the Security Council's resolution of 25 June, said: 'Attention is drawn . . . to the fact that the representative of the Soviet Union was absent from the meeting. . . The lawful representative of China, a second permanent member of the Security Council, was also absent. Inasmuch as any decision on the substance of an issue in the Security Council needs the unanimity of the permanent members of the Council . . . it is clear that the meeting of the members of the Security Council could not on 25 June take any decisions having legal force.'

Security Council passed by seven votes to one (Yugoslavia), India and Egypt being unable to vote owing to lack of instructions, a U.S. resolution which noted that the North Koreans had not withdrawn and that 'urgent military measures are required' and recommended 'that the

members of the United Nations furnish such assistance to the of Korea as may be necessary to repel the armed attack and i international peace and security in the area'.

Mr Acheson stated that he did not accept the arguments Security Council's action was illegal because of the absence of t representative. The Security Council could not be frustrate wilful absence of one of its members.

29 *June*—Mr Gromyko replied to U.S. Note of 27 June: events which are going on in Korea were provoked by the atta troops of the South Korean authorities . . . therefore the resp . . . lies with the South Korean authorities . . . It was impossib Soviet Government to take part in the meetings of the Security since by virtue of the attitude of the U.S. Government the pe member of the Security Council—China—was not admitte Council, which made it impossible for the Security Counci decisions which have legal force'.

30 *June*—U.S. announcement: '. . . the President has autho United States Air Force to conduct missions on specific t Northern Korea wherever militarily necessary, and has ordere blockade of the entire Korean coast. General MacArthur l authorized to use certain supporting ground units.'

India informed the Security Council that if it had been in a to vote on the resolution of 28 June it would have supported i informed the Council that it would have abstained.

4 *July*—Mr Gromyko issued a lengthy statement which sta *alia*: 'The events now taking place in Korea broke out on 25 Ju result of a provocative attack by the troops of the South Korean ties. . . When it became clear that the terrorist regime of the S Rhee clique . . . was collapsing, the United States Govern sorted to open intervention in Korea. . . The illegal resol 27 June . . . shows that the Security Council is acting . . . utilized by the ruling circles of the United States for unleash This resolution . . . constitutes a hostile act against peace. . impossible not to note the unseemly role played in that whole the United Nations Secretary-General. . . Evidently . . . the ag circles of the United States violated peace in order to lay hand North Korea. . . The Soviet Government has already expr attitude . . . in its reply of 29 June to . . . the United States. United States . . . has committed a hostile act against peace bears the responsibility for the consequences. . .'

5 *July*—British Foreign Office spokesman stated that Brit asked the Soviet Government to use its influence with North l induce them to withdraw their forces.

7 *July*—Security Council passed by seven votes to none wi abstentions (Yugoslavia, India, and Egypt) an Anglo-French re which recommended that the forces available be placed under 'a command under the United States', that the U.S. be reque designate the commander of such forces', and that the unified co be authorized 'at its discretion to use the United Nations flag'.

New Ideas Versus Old in Western Germany

OVER five years have passed since the collapse of Hitler's Germany in May 1945. This means several things, and in general that the period of political vacuum is over. Western Germany is already managing its own affairs with relatively little interference. The Occupation Statute of 10 April 1949 is to be revised, West German diplomatic representatives of a kind are appearing in the world's major capitals, and the recognition of West German sovereignty is hoped for, either directly from the three Western Allies or obliquely through German collaboration with other sovereign States. What is taking the place of the vacuum? Certainly not a British or American way of life. Since the Schuman offer the French—no longer only Monsieur Sartre and the playwrights—have become popular over night. Consciously or subconsciously, the Germans believe that French plans can be turned to German advantage, and they are full of the European community between French and German ways of thought. They do not therefore cease to speak of Herr Hoffman, the Prime Minister of the Saar, as of Judas.

It is in fact difficult to describe Germany in 1950 because in so many ways two opposites are true. That familiar phrase, *die Deutschen sind so labil*, so unstable, has become even apter than in pre-Nazi days: so many people conformed to Nazi ways of thought in order to keep their jobs, and yet preserved a section of their own un-Nazi identity, that it would be strange if this were not so. Today the same people will assure one, for instance, that they see clearly that Germany has no future as an independent national unit, and at the same time will indulge in demonstrative nationalism. The Federal Government itself has recently provided a piquant illustration. In Bremen at the beginning of June, when Dr Adenauer had responded with emphatic enthusiasm to Monsieur Schuman's offer, his Minister of Transport, Dr Seebohm, declared that in May 1945 only the Wehrmacht had capitulated, not the German nation, which in his view is presumably still at bay. He added that the Allies were to blame for the war and the peace. There are, of course, some clear-sighted Germans who have every intention of accepting subordinate European positions in order to reconstitute German domination in good time. Very rarely one encounters the opposite clarity, that of writing off Eastern Ger-

many, just as Switzerland and the Netherlands were w three centuries ago, and accepting a new German F without Prussia, whose shape on the map is not unlike tl Confederation of the Rhine in 1806. A major war might (than this renunciation.

The German attitude to Russia has been two-headed f time, and the division of Germany since 1945 has accentu aspect of German political schizophrenia. Far from (national ambition, Hitler expressed a deep-seated sentim he claimed Russia as Germany's colonization area; cer Eastern Germany for many years it has been felt that Russ be ruled by Germans like Catherine the Great and tl Barons. The Western Germans, those indigenous in the Republic of today, are mostly indifferent or opposec tradition, unless they are large-scale industrialists with a East European markets. The idea of an opportunistic con with Moscow has lost a great deal of ground since 1947 other hand, many people are still opposed to the existen Bonn regime as a symbol of the country's division; furth interesting to observe that Dr Gereke, the Lower-Saxon of Agriculture who made a trade agreement with the East Government in Berlin at the time of the Whitsun tens expelled from his party (the C.D.U.) only after severa delay, and in fact enjoyed considerable popular supp refugees from the East (of whom some have been homel Hitler 'brought them home' from the Baltic States or B keep the question of Russia aflame. The success of the par represents them in the Schleswig-Holstein elections on 9 J illustrates and intensifies this. The East German, l occasionally excels in the ambivalence of raging over his and at the same time preparing to adapt himself to Com should West Germany be the next South Korea.

The year 1950 is critical for Germany in a number of w five years' period during which former Nazis were bann the exercise of their profession is over, and they are b instated in the Civil Service and elsewhere. Dr Adenauer criticized for the appointment of Dr Globke, a man of no u Nazi views, as head of internal administration in the Chancellery. The grave shortage of trained personnel urged on his behalf. What with war casualties and the exec Hitler of the anti-Nazi leaders, especially in revenge for

1944, the slogan of 'the Missing Generation' is justified; on the other hand many professional men are unemployed.

In addition to the influence which is bound to emanate from the Nazi officials recently reappointed, the large body of former Wehrmacht officers is beginning to reassume shape. Many of these people have received no pensions until now, and many have suffered hardship. Others have lived cautiously and quietly on some cousin's estate in the country where there was at least enough to eat. But now their pensions are being paid and they can afford to meet each other, find out where everybody has got to, draw up lists, and hold meetings. All the evidence suggests that, with very few exceptions, neither Nazi officials nor Wehrmacht officers have changed their *Weltanschauung* fundamentally.

The officer about whom there has been most talk in the last few months has been General Hasso von Manteuffel, former commander of the armoured division *Grossdeutschland*. Early this year he presented a memorandum to Dr Adenauer in which he claimed to speak for his brother officers as a whole. 'I consider it irresponsible', he declared, 'to prepare defence lines in Germany without allowing the Germans the smallest share in their own defence . . . The weakness of the Western position will consist for a long time in lack of depth for strategic operations. . . The defence of Europe must lie further to the east.' Even if the Germans do not claim the supreme command, he continued, they must insist upon 'the formation of racially pure German units under German command'[1] . . . and with the most modern equipment.

Manteuffel's demands touch upon the most violent paradox to be encountered in Germany today, the German attitude to remilitarization. Here again, there are a few people who are clearly opposed to it, and others, it has been seen, who are clearly in favour. But while public inquiries of the Gallup poll kind, which ignore psychological confusion, have shown the majority of West Germans to be opposed to remilitarization, it is obvious that most West Germans not only resent, but they also deplore, their disarmament. This is often made clear by wistful references to the introduction of conscription in Britain. It is, moreover, of interest that in the election campaign in North Rhine-Westphalia Manteuffel was associated with the F.P.D. which belongs to Dr Adenauer's governing coalition; a meeting addressed by him

[1] '*Aufstellung reinrassiger deutscher Verbände unter deutscher Führung bis zum Korpsverband*'.

during that campaign was broken up by a contingent of munist Free German Youth.[1] Since then the whole qu remilitarization has become more acute on account of Korea, but the Federal Government is still apparently c press for a Federal Military Police Force of 25,000.

General von Manteuffel is also connected in the pul (though he denies the connection) with the *Bruderschaft* tion which shares his political views. Representative association, too, have been in touch with the Federal Cl It is said that the contact in each case was brought abou a C.D.U. member of the Bundestag, Dr Robert Pferdmer is a banker in Cologne. His many activities sometimes re older generation of the functions of Baron Schroeder, house Hitler met Papen in January 1933, or even of Papen himself.[2]

The *Bruderschaft* appears to be an amorphous body of Socialist complexion. It embraces some thousands o officers and a number of formerly second or third rank 'leader' of the moment is a man who in an earlier pha career was called Hildebrand and was a member of the *W Personal Amt*: at present he calls himself Alfred Franke-(Associated with him is the brother of the Hitler-Jugen Lauterbacher. Members of the *Bruderschaft* intermitter out pages of roneographed aspirations which are strangel scent of Nazi Party outpourings twenty to twenty-five y they remind one most of those which derived from Greg ser's supporters, some of whom genuinely believed that t working for a German revolution to solve the social pro the century. There is, however, a change in emphasi *Bruderschaft* propaganda of today, for its aspirations are merely German but European. It claims that for years the Army defended Europe on the *Ostfront* against the] attack (*sic*), and that all nationalities met in the *Waffen* vanguard of the army of Europe. Thus the Germans hav given Europe a lead which *Bruderschaft* crusaders long t 'We were never Nazis,[3] but rather we were men wh National Socialism a road to the achievement of our

[1] General von Manteuffel is also the first general to have been broadcast since the war.

[2] von Manteuffel works for a firm in Neuss with which Dr Pferdn close connections.

[3] 'Nazis' are now admitted to have been criminals, not so National

longing. . . We know that this hope[1] still exists today as a force, searching for political shape and expression. We are perfectly aware that we cannot return to the forms of yesterday. For just as the parties of today from right to left represent restoration, a return would mean nothing but a new N.S.D.A.P. The front of the European Revolution, however, cuts across all camps independently of tokens, yes, already independently of frontiers'.[2]

The feeling—a general one—that things have merely been put back to where they were, restored, instead of encouraged towards some positive evolution, is strong and potentially dangerous. And this 'restoration', like everything else which causes dissatisfaction, is attributed by all the Nazistic groupings—as by the Communists —to the Western Occupying Powers. The alleged corruption of the restored parliamentary system is a favourite and familiar Aunt Sally; unsigned posters attacking official corruption appear at any time on the walls, and it is the favourite theme in the speeches of Loritz or in any of the Nazistic newspapers such as Dorls' and Remer's *Deutsche Reichszeitung*, or in the Essen weekly *Fortschritt*, said to receive funds from the same source as the *Bruderschaft*.

A recent development of some importance is the 'restoration' of the Students' Corps or *Verbindungen* in Western Germany. These are part of a system of patronage (nothing necessarily worse) because they are in fact new junior branches of what are called the *Altherrenverbände*. The latter consist of University graduates divided into two main groups. In one of these are two Catholic organizations, the *Cartell Verband* and the *Katholischer Verein*, and in the other the famous *Kosener*. The *Kösener Senioren Convents Verband* was founded by students in 1848, and its old-students' Union dates from 1888, by which time the Corps had become chauvinist, retrograde, and anti-Semitic. Wilhelmstrasse officials belonged in the main to the *Kösener Altherrenverband*. It appears that the strongest motive impelling students to join the Corps today is to ensure their future. If they join the *Kòsener*, older *Kòsener* men, now perhaps getting back into office, will help them to a job. Once in the students' Corps, the individual student is subjected to the traditional atmosphere of snobbism and duelling; that, too, seems to have been restored. So long as he hopes for a government post he will support the present regime without criticism. But should he be disappointed, he may suddenly join

[1] 'Gläubige Sehnsucht' = 'longing filled with faith', in the text.
[2] This extract comes from *Bruderschaft* propaganda dated April 1950.

in *Bruderschaft* cries against the very system of patronag which he had pinned his hopes, and convince himself t Bonn regime is nothing but a miserable makeshift. It is that the millions of refugees who live in insecurity exagger alarming national instability.

It may be that by now a majority of Germans in the We already returned to the belief that what the *Bruderschaft* c Allies' 'arrogant attempt to insist on formal democracy' doomed.[1] Among the others to whom democracy means mo the substitution of a weak western Bund for a strong C Reich, there are many who hope for its survival only if it d in some way appropriate to contemporary social developme needs. The anti-democrats, many of them genuinely enou also looking for some form of social organization which s the times. Some of them are again speaking of a functio organic, form. Some Catholic politicians still think of a *Stàn* along the lines of the Papal Encyclical of 1891 and not un to a corporative State or syndicalism or guild-socialism; *D Reichspartei* followers and others with a National-Socialis ground advocate a Second Chamber based upon profe representation.

These various trends have recently found a common m ground in the demand for *Mitbestimmungsrecht*[2] in the fa that is, for industrial democracy. Many people in Britain this conception out of hand as utopian. The movement favour in Western Germany is, however, particularly inte because in a number of factories in the Ruhr *Mitbestimmun* has already established itself in practice, thanks not to legi but to post-war circumstances. At Duisburg there is a coppe which belonged to the I. G. Farben Industrie before the was broken up. It is directed by a Dr Ernst Kuss, who co representatives of labour not only about the social side concern, but also about its technical side, and even abo distribution of profits; thus he decides with his employee much is to be re-invested and how much shared between and labour. Recently Dr Kuss published a pamphlet *Mitbestimmung und gerechter Lohn als Elemente einer Neuo der Wirtschaft*, in which the principles upon which he wo explained. This has brought the Duisburg copper-mine in

[1] See *Bruderschaft* pamphlet quoted above.
[2] Literally, a right to join in decision.

public eye. Many critics object to generalizations on the strength of this example. They point out that such experiments have always remained isolated, as in the case of the Zeiss works at Jena. At Duisburg success is said to depend upon particular personal relationships which could never be established by legislation. Dr Kuss's experiment is also facilitated by the substitution, since the war, of the former shareholders by trustees who are not directly interested in good dividends.

The sharing of responsibility between capital and labour in industry—for *Mitbestimmung* amounts to this[1]—has, however, developed in a slightly different form in some twenty-four iron and steel mills in the Ruhr, under the British authorities. These concerns, like the copper-mine at Duisburg, have been put under trustees in place of the former owners. They are run by an executive committee of three men, of whom one represents trade union labour, and they are supervised by a board of eleven directors, of whom five represent the old owners and five the trade unions, while the chairman is one of the new trustees. In this form industrial co-operation is already working relatively well; here, too, it has gone so far that the representatives of labour are informed and consulted on the highest level within each concern. In the Ruhr coal-mines, two trade unionists belong to the Board of Directors and half the advisory committee (*Beirat*) is composed of trade union representatives.

All this applies only to heavy industry in the Land of North Rhine-Westphalia, where in consequence *Mitbestimmungsrecht* is a less burning question than in Hessen and Schleswig-Holstein. In Hessen a proposal made in its favour in 1948 was blocked by General Clay, but Mr McCloy has since allowed the matter to be raised; it is in Frankfurt that one is most likely to hear it discussed.

In the minds of the adherents of *Mitbestimmung*, federal legislation is, of course, envisaged either as a substitute for, or possibly a step towards, a general measure of nationalization such as the Social Democrats have advocated. (It seems that only coal is at all likely to be nationalized, or rather socialized, as the phrase now goes, meaning ownership mainly by local authorities.) After the veto in Hessen the initiative in the matter of *Mitbestimmung* legislation was taken by a Catholic assembly which met at Bochum in September 1949. Indeed the keenest political support comes from

[1] Dr Kuss says his aim is to make his employees feel that they are entrepreneurs with him.

the left wing of the C.D.U. and from the Zentrum, while t party to adopt an attitude of unqualified hostility is the The Social Democrat Party is cautious in the matter. Son members regret the *Mitbestimmung* plan as a half-measure one likely to diminish the political interest of the workin increasing a purely professional solidarity such as the trade —and difficult circumstances—already encourage. But the S politicians, who have lost much ground in the Schleswig-I elections, do not wish to quarrel with the German Trade Federation; this was formed by all the West German ur Munich last November and has become the protagonist *Mitbestimmung* movement.

Late in 1949 *Mitbestimmungsrecht* pioneers, such as C.D.U. Prime Minister of North Rhine-Westphalia, Karl . met in Düsseldorf to define their aims in the matter. Afte series of negotiations began between representatives of cap labour and certain politicians and economists. A confer Hattenheim in April of this year, when the Kuss experim examined, brought a measure of agreement, but the trade were disappointed because it was suggested that only th stewards of the given concern, never trade union peopl outside it, were to be consulted. The negotiations intens May and the C.D.U. made the definite proposal of a on representation of labour on boards of directors, while th unions wished for 50 per cent. At this point came the Sc offer, condemned by the Social Democrat leader, Dr Schur as a capitalist manoeuvre to circumvent nationalization i many. Although he was at daggers drawn with the Comm his view and theirs now converged; all proposals from the ca side were to be regarded as suspect, and Communist conte those who hoped for co-operation between capital and la the form of *Mitbestimmung* intensified. From the opposite s Pope made a pronouncement hostile to *Mitbestimmung* on

By the end of the first half of 1950, nevertheless, the Union Federation, with moderate Socialist support, had b forward a complete legal project for the democratization c German industry on the basis of the equal representation of and labour on the executive of each concern.[1] The bill wh

[1] The trade union leaders justify their 50·50 proposition on the grou when it comes to voting there is always someone who votes against his o The project distinguishes between concerns according to the numb employ.

Labour Minister, Herr Storch (a former Catholic trade unionist), had promised still lay in the drawer of his desk.[1] This may be partly attributable to Dr Adenauer's opposition, for the Federal Chancellor stands far to the right in the C.D.U. and is hostile to *Mitbestimmung*. Meanwhile the whole question of industrial organization within one European country has been overshadowed by the possibility of supra-national interference.

Many objections can be made to the attempt to share industrial responsibility and to create industrial solidarity. Industrialists themselves mostly claim that the cost in efficiency cannot be borne. Politicians may say that it is the political battle which counts; this must be won in advance in order to distribute the key positions upon the holding of which the rest depends. Others use Graham Wallas's arguments against syndicalism and the growing danger of putting a professional or technical interest before that of the community as a whole. Others, again, may dislike the Buchmanite associations[2] of some of the champions of *Mitbestimmung*, or may point out that, like Fascism or Nazism in the past, some of the neo-Nazi groups today play with notions of corporative representation, which, by the way, are by no means alien to the theory of Communism. No such consideration can, however, alter the fact that some positive conception, some organic evolution of democracy to keep pace with the evolution of industry, is necessary to the West if it is to compete with the attractions of Moscow. It is essential in a country like Germany, where parliamentary democracy has no roots and has twice been discredited within one generation, first by the insidious propaganda of Hitler and then through identification with a foreign occupation and the cry of a hollow 'restoration'. It is clear that there is still a solid mass of more or less Nazi opinion, which was shaken by defeat in 1945 but which has been revived (or should one say restored here too?) by national and international misfortunes ever since. This body of opinion will never be attracted by the purely political practices of Westminster nor converted by the flagrant social injustice which prevails in Western Germany today. It might not unwillingly be

[1] Storch presided over a further meeting between employers and the Trade Union Federation at Maria Laach on 5 and 6 July, from which nothing further emerged with regard to co-operation within the factories, which is the issue at stake. A federal economic council in which capital and labour would be equally represented was agreed to, but this *überbetrieblich*, as opposed to *innerbetrieblich*, co-operation is more of a formality, and scarcely in dispute.

[2] The Buchmanite conferences at Caux in Switzerland have been concerning themselves particularly with industrial organization on *Mitbestimmung* lines.

drawn into a system of economic co-operation which need h
nothing to do with tyranny or nationalistic aggression. It is
possible to see exactly what forms the new organization may u
mately take, but, if it grows out of post-war circumstances in
Ruhr, British empiricism may have laid its foundation soli
And, far from opposing *Mitbestimmung*, a new internatic
authority might extend its application to all Western Europe.

E. W

India: The Reconciliation of the Right

INDIA's achievement of independence constituted a major revo
tion, ranking with some of the main turning points in world l
tory. But it was brought about so amicably that there has
been the aftermath of terror and class conflict which is the us
bane of revolution. The old regime and its supporters recogni
that their time was past. Whether they were Princes, Zemindars
Government servants, they accepted facts. Congress, in retu
made their acceptance easy. When power passes, the privilege
creates go with it. But the privileged were not transformed ov
night into untouchables. Those of them who have a role to fu
notably the soldiers and the civil servants, retain an honou
place. Even those for whom there is no longer a political or eco
mic place, the Zemindars, for example, or most of the Princes, h
had the transition eased by pensions or compensation. The Rig
the classes who supported the British and whose power rested
them, have been so thoroughly reconciled that many Brit
business men, despite a certain amount of grumbling, are r
amongst the regime's most loyal supporters. It would seem t
a revolution has occurred which has no fear of a counter-revoluti
Far from going in terror of a counter-attack from those it
displaced, the new regime draws strength from their support
resist those who wish to go on from achievable reform to Uto
or anarchy. If the I.C.S. had not been guaranteed its terms

ervice or the Princes their pensions, reaction and the fear of eaction would have created many more Communists than India n fact contains.

The troubles of revolution come when the revolution is over. At irst there is the excitement of being alive in the midst of renewal, when old injustices are being swept away. But then comes disllusionment. Revolutions sweep away property as well as privilege, and the whole society finds itself poorer just when it had expected o be richer. The oppressor becomes the oppressed; but he takes his skill with him into his new degradation. It is suddenly realized hat policemen, officials, army officers, factory managers, hitherto symbols of arbitrary power, are also technicians not easily replaced. The machine of society, no longer oiled regularly by their understanding hands, creaks, groans, and almost stops. Those of little aith begin to long, like the Israelites in the desert, for the fleshpots of subjection; and the idealists who have made the revolution urn to terror to suppress this new iniquity with all the fanaticism of men to whom it has never occurred that they may be wrong.

The immediate results of revolution are generally unhappy. It is he grandchildren who benefit. It is historically of particular nterest that India has been so outstanding an exception. For the doctrine of the Congress Party was quite peculiarly millennial: everything, from illiteracy to corruption, was the fault of the British, and would disappear with them. The reasons for subsequent disillusionment have been more than usually cogent. Partition, and the massacres it brought in its train; the shortage of the most elementary necessities of life; the law's incapacity to touch the big profiteer; near-war in Kashmir, Communism in Telingana, frustration in Bengal—there has been enough to throw any Government out of office. Yet the Congress Party is not only still in office, it is also virtually certain to get three-quarters of the votes in the election next year. The Congress is still much the most satisfactory of the parties for whom the Indian electorate can vote; but the political judgment which recognizes that fact through every disappointment is unusual in a new electorate.

This stability seems due to the Congress's success in making peace with its enemies. In every revolution the passionate loyalty of its supporters is matched by the passionate hatred of its enemies; the Government therefore tends to divide society into sheep and goats. All too often it does not even provide a way by which the goat can get itself a fleece and become a sheep. Such a society

must either exterminate the goats, as the Russians have come near to doing, or face perpetual instability from their repeated attempts to recover a share of power, as happened in nineteenth-century France.

The Congress has been wiser. There are neither sheep nor goats in the new India. Peace was made at the very beginning with the enemies of the Congress, while they were still realizing they were living in a new world, and while they were therefore still prepared to pay a high price for protective fleece. The price has been paid and accepted. The Right has been reconciled to the Congress, and in the process the Congress leaders have raised for themselves a strong dam against the leftward drag towards anarchy and terror which is the curse of revolution.

This reconciliation would not have been possible had not power been handed over in the way it was. The methods adopted by the Labour Government and Lord Mountbatten made clear to a suspicious Indian public that to the British freedom is the supreme value. No calculation of possible British losses was allowed to stand in the way of freedom, once India was obviously ready for it. Therefore freedom began, not with the suspicion of the old regime and its agents which is normal and which occurred even in Ireland in 1922, but with a strong initial feeling in favour of Great Britain. The Indian attitude to Britain had always been somewhat mixed. Appreciation of British qualities was always as real as resentment against British rule. In August 1947 the resentment lost its cause, and for a moment the appreciation was able to flower unhampered

In that moment the most important reconciliations of all were effected—reconciliation with the Services, and reconciliation with British business. Both have since had to suffer pinpricks in plenty, but they have suffered them as accepted members of a society which recognizes their contribution, and not as rotten limbs under sentence of amputation. The importance of this change of attitude to the individual business man or policeman is obvious. But its real importance is the extra stability given to the new and much buffeted Republic. One half of India's exports depends on jute and tea; and the management of these commodities—though often not the ownership—is overwhelmingly British. And the Indian Government machine was already so overstrained that any further shock, any real alteration of even its humbler cogs, would have brought complete collapse, with results which the history of China since 1911 can demonstrate.

Matthai himself recently told the Associated Chambers of nerce that relations between the British business men and the n community as a whole had never been happier; and he was y right. Almost all the few million pounds invested in India abroad since the war has come from the United Kingdom. great Calcutta managing agency houses, which are the core British interest in India and which dominate jute and coal, ing and engineering, are less British than they were, but no nportant. Many of them have taken in Indian capital, some- on a very large scale; all are gradually increasing the Indian nt in their staffs. But, although many of the Companies they ge are owned almost entirely by Indian shareholders, there een no attempt to transfer the managing agencies to exclu- Indian hands; and although the whole managing agency n itself is liable in certain ways to criticism, the Government far passed no legislation, or even pressed any proposals, would inconvenience the great agency houses. The result t the occasional feelings of trepidation which afflicted some em just before independence have passed. They are again ing out able young men, and many of them are once more up new lines of activity or expanding along old ones. A le shock to the whole economy of India would have resulted a revolution which was, economically speaking, narrowly ialist. It has been so successfully averted that everybody has ten how tempting, and how damaging to India, such a e could have been. Of the damage discrimination could have there can be no better proof than the harm resulting from comparative pin-pricks as the conditions so often imposed overnment on new foreign investment—on choice of site, for ple, or the time allowed within which components have to be locally, or the proportion of Indian capital.

the most important of all the reconciliations has been ed by Government with its own servants. Pandit Nehru can ay in an off moment that Government service corrupts and des. Before the war that would have been a serious accusation, up and discussed for weeks. Today it drops almost unnoticed, ssed as just another example of Panditji's endearing, but imes unfortunate, impulsiveness. The key of the new State is yalty and devotion of its soldiers, civil servants, and police. It is to them, as much as to the loyalty felt for the Congress ts leaders, that India owes its survival through the terrible

crisis which followed partition. It is usually forgotten just how great an achievement this was. A Government which had lost a large proportion of its best senior civil servants and policemen through the retirement of British and the departure of Muslim officers, and whose army was in the process of reorganization, faced a situation where a whole province was out of hand, when its very capital for some weeks almost stopped functioning, and when millions of refugees were moving both ways across its new boundaries. Yet within a few months these difficulties had been overcome and the machine was functioning again. The army has fought an effective little war in Kashmir, the Civil Service has rationed 133 million people, the police have suppressed a deliberate and considerable Communist attempt at sabotage and terror, the railways have recovered from their near collapse of early 1948 and are now carrying as much traffic as they have ever done.

All this is a great achievement. It reflects much credit on the Congress and on leaders such as Nehru and Patel, Pant and Kher, without whose hold on the people the revolution might have ended by devouring its children. But the achievement would have been quite impossible without the administrative machine the British had built up, and which they handed over substantially intact. So profound was the discipline of this machine, so real its patriotism, that the very men who a few years ago were putting Congressmen in gaol and lathi-charging Congress crowds, today work as loyally and as hard for the Congress as they once did for the British.

Nevertheless, even in their case a price has had to be paid for reconciliation. The price has not been in power. The new Ministers, on the whole, listen more attentively to the advice of their civil servants than ever did the Secretary of State; they have the advantage of a Parliament which by definition understands Indian conditions. And, although the police do not have quite the powers they did at the height of the war, the now established, and necessary, practice of preventive detention gives them considerably more power than they had in the 'thirties. In the Army, too, the Indian officer has not merely had an accelerated promotion which makes Major-Generals of men whose seniority in the last peace would have left them as Lieutenant-Colonels; he has also had Kashmir and the running fight with Pakistan to make him something of a popular hero. Classes which traditionally looked on the Army as the foreigner's mercenaries have suddenly realized that it is their protection. In a party which has prided itself on its non-violence,

has been found enough sense of the hard facts of the post-
world to enable Defence Estimates amounting to half the
et to pass uncut.

r the old power which they have kept and the new popularity
i they have gained, the soldier, the policeman, and the civil
nt have paid in cash. At the bottom of the scale, for the private
r or the plain constable, pay is, in real terms, as high as it
though the increasing awareness of the public, its growing
eness under corruption, has somewhat reduced the real value
: perquisites. But at every stage above the bottom there has
a severe drop in the standard of life. The head clerk gets half
s than half the percentage of 'dearness allowance' given to the
nger; the Secretary to Government, with the middle-class
of-living index approaching 300, gets his pre-war rate of pay
s a 'voluntary' cut. More serious still, the new police officer
istant collector or second lieutenant cannot hope to earn over
time more than about a quarter the real wage of his pre-war
cessor. So far this state of affairs has done relatively little
. The seniors have accepted the lowering of their standard of
hough it undoubtedly somewhat reduces their efficiency. The
ecruits are still of good quality, though it must be expected
nany of the best men will increasingly be drawn into business,
its now considerably higher rewards—a development which
t have advantages for the country. Certainly the qualities
i made the old Indian Services the best in the world will be
r to develop amongst men for whom financial anxiety is
to be a constant companion, and for whom the travel and the
ig with his fellows which broadened the old Government
nt's mind will in most cases be too expensive.

e sacrifices which the Right has had to make in the country-
iave been very much more extensive; but they have been of
r rather than of cash. Princes, zemindars, landlords, money-
rs, the classes who for many years held absolute sway over
racts of India, find themselves today divested of almost all
rity. An occasional prince, like Nawanagar, can still by his
ibility put a content of real power into his ceremonial position;
he integration of the States, the greatest achievement of the
hree years, has substantially meant the end of the old order
Power has passed to Vallabhai Patel and the I.C.S. men he
laced in key positions. One day, when the political level of the
s peoples is more advanced, this tutelage will be ended and

real power will pass to their representatives, but already tl influence of the Princes, their relations, and their feudal nobl has almost disappeared. The Congress has, however, been pr pared to pay a high price for this result. The Princes have bee given tax-free incomes which total some four million a year; the *jagirdars* have so far been dispossessed only in Hyderabad, ar even there they are to get £13½ million as compensation, ten tim their previous incomes. Elsewhere, abolition is to take years— period of twelve years is proposed for Madhya Bharat an Rajasthan, the key area.

The zemindar is equally doomed, and the price at which he paid off will depend on his size. Everywhere except in West Beng action is slowly being taken to get rid of him. Indeed outside We Bengal his political power has already gone, since the triumph (the Congress was in one of its aspects the triumph of his tenan against him. He would already have been a relic of the past wei it not for the difficulties of Congress Governments in finding a wa of compensating him which would neither ruin their finances nc infringe the protection given to property by the Constitution. The have several times had their legislation declared invalid in import ant particulars by the Courts. The general pattern would no appear to be an arrangement by which the zemindars as a whol will receive ten times their net rents in bonds as compensation but the amount received by individuals will vary from twent times in the case of the lowest rents, to merely the amount of th rents themselves when these reach a very high figure (the detail are slightly different in different States). The small man wi therefore be no worse off; the big man, on the other hand, when h has paid income tax and supertax on the income from his bond may even have a net income of only 1 or 2 per cent of his presen rents. Yet his opposition has been confined to delaying actions, fo he knows perfectly well that the alternative is not more compensa tion, but no compensation at all.

Even when zemindari is abolished there will still be some leasin of land in the countryside, but legislation is being gradually passe in most States both to reduce this to a minimum—Hyderaba hopes within three years to have no leasing at all by able-bodie male owners—and to reduce the rents allowed, normally to a thir of the crop on unirrigated and a quarter on irrigated land. Th pre-war norm was half the crop.

With the moneylender it has hardly been necessary for the nev

Republic to compromise. What the law could do to limit his extortions had already largely been done at the end of the 'thirties, when most States passed laws requiring him to take out a licence and forbidding him to recover more than twice the principal of a loan. But the real liberator of the countryside has been inflation, which has enabled most of the old burden of unproductive debt to be paid off by everybody above the level of a small tenant. Interest on rural debt is now estimated at a little over £20 million per year. Before the war, in real terms, it was a dozen times that figure.

There is one section of the Right with which Congress has not yet reached its compromise. Oddly enough, it is the one section which in the past gave Congress whole-hearted support—bania business. Many Indian firms—Tatas, for example—have the highest reputation, but many, particularly of the Marwari firms, embody all that is undesirable in business practice, from black-marketing to tax evasion. Many Marwaris look on business merely as a speculation, and have neither the outlook nor the knowledge to realize that the justification of the capitalist system is its unique capacity to increase production by sound investment. They thus, with very few exceptions, bring capitalism into discredit by their morals, without, like the Rockefellers and Goulds of an earlier American day, also justifying it by their works. They therefore provide perpetual ammunition for the Socialist, who is able to point not merely to their dishonesty, but also to their incompetence, as good reasons for State interference. The Congress itself has discovered that the State has not at the moment either the personnel or the experience for widespread industrial activity; but as long as so much of India's business outside Bombay is conducted on Marwari lines, the Indian electorate will not be convinced that undiluted capitalism is the cure of their ills.

This one exception may yet prove the ruin of the Congress leaders' work. They have achieved a revolution in which, over its thirty years' duration, the number of British lives lost can be counted on one's fingers. In a time no longer than it took for the French Revolution to arrive at the Terror, they have made of their new State the great centre of stability in Asia. But for it to continue stable, production must increase at least enough to provide for the annual 1 per cent increase in population; and that means more investment than either the Indian or the foreign investor has in recent years been willing to provide.

M. Z.

The Agricultural Development of the Belgian Congo

THE Belgian Congo is a rising star of the first magnitude. intelligent assessment of African or European affairs to-day afford to ignore its economic possibilities. Its modern importa is due to the immense natural resources of the country itself. Tł resources are most marked in minerals, of which the Congo long been a notable producer. In the agricultural field the adv tages are not quite so marked, for the soils are mostly pooı difficulty which raises problems that will later be considered more detail. On the other hand, the climate confers great adv tages, for the rainfall is good and the whole country lies in t equatorial belt of high temperatures and abundant sunshine wh is particularly favourable to the growth of oil-producing plaı Even if the advantages were less, the agricultural potential wo be very great from the mere size of the country; for the Coı must be thought of as an empire rather than as a single colony the sense of other African colonies. With its area of 2,398, square kilometres, the Congo, if superimposed on a map of Euro stretches from Spain to the Ukraine and from Turkey to Holla

The second cause of the area's growing importance is the int sive development now being undertaken by the Belgians the selves. Right up to the recent war the Belgian public at ho remained in the mass apathetic about their colonial possession; l since the war there has been a tremendous revival of intere apparent in many directions, not least in the sphere of agricultu research and development. The Dutch, formerly the most paı taking of tropical agricultural scientists, have seen their techni activities in Indonesia sadly curtailed by political events; but th mantle seems to have fallen in no small measure upon their neiş bours the Belgians. It is with surprise and envy that visiti British agriculturists, used only to tiny staffs for research wo find, as at Yangambi, an experimental station staffed by oveı hundred university graduates of first-class calibre.

It is necessary to see the agricultural exports of the Congo their proper perspective, for they constitute only a minority of t total exports, though their proportion is tending to rise. In 19 minerals accounted for 52 per cent by value of the whole, wł vegetable and animal products together amounted to 46 per ce

mong the minerals the most valuable were copper, miscellaneous
inerals, diamonds, gold, cobalt, and tin, in that order; while the
rategic significance of the uranium ore which is mined in the dis-
ict around Jadotville, and which is not classified in the trade
turns, must specially be borne in mind. The Belgian Congo has
cquired in Africa, perhaps because of the number of large
merican cars to be seen there, a reputation as a big dollar-earner
hich is not wholly warranted by the facts. The following table of
he value of exports in 1948 to the Congo's three biggest customers
of interest:

To Belgium	6,796,588,000 francs
„ United States of America	984,170,000 „
„ United Kingdom	1,505,051,000 „

his does not quite give the whole picture, as a proportion of ex-
orts to Belgium are re-exported, sometimes after finishing there,
o the United States, as in the case of the tin mineral cassiterite.
Nevertheless, with annual imports from the United States running
t about 2,500 million francs, the Congo has at present a big
eficit with that country.

The political situation forms another important part of the back-
round to agricultural development. If it is true that political pro-
ress without sound economic foundations is a shadow, it is also
lain that economic prosperity without political opportunity will
ot permanently satisfy a people. The former is the more likely
langer in the British African colonies, and the latter in the Belgian.
The administrative structure of the Congo is efficient but brittle;
t all levels of Government there is little or no admission of the
lectoral principle. All authority derives from above, and there
ppears to be no safety-valve for any public discontent. It is
ossible that such an engine without a safety-valve will one day
xplode, while the political machinery of the British colonies con-
inues to turn creakily over amid clouds of escaping gas and steam.
But if such a system appears in some respects to be an anachronism
n present-day Africa, it must be remembered that the Belgians
re still dealing with a very primitive population whose develop-
nent over large areas is behind that of most of the rest of the
ontinent. It comes as a shock to the traveller among the peaceful
villages along the Congo near Stanleyville to realize that it is only
some twenty-five years since boatloads of Belgian troops were
massacred by the inhabitants of this region. Cannibalism is not
extinct, and experienced officials will say that not many miles

C

back from the banks of the river, with its luxury steamboats, human hams may still be seen curing beneath the eaves of the huts. It is probable that the Belgians, who are realists and are achieving an ever-ripening experience in colonial administration, will take the measure of the situation in time and give political advancement as it is needed. Welfare services for the native population, especially in the big company-owned enterprises, are good by African standards, and increasing attention is being paid to African education.

A brake on progress may, however, be imposed by labour shortage, for the Congo proper, with only 4·55 persons per square kilometre, is a very thinly peopled country, in spite of an estimated 12 million or so of inhabitants. To fly all day from east to west across the Congo, with nothing beneath one's eyes but the endless forest and only the scantiest signs of human occupation, impresses this deeply upon the observer. In startling contrast is the small trusteeship area of Ruanda-Urundi, with a population of nearly 4 million, at sixty-nine to the square kilometre. This area was originally awarded to the Congo partly in the hope of solving its labour problem, but this hope has not been realized. Although some 100,000 men yearly emigrate from the area to work on the cotton and coffee farms of Uganda (where they greatly contribute to its thriving productivity), this labour pool has not been of the same service to the Belgian Congo. The Belgian authorities in recent years have therefore made considerable efforts at least to keep this population at home by developing coffee-growing While it is quite typical of their system that coffee-planting has been enforced by administrative order rather than encouraged by agricultural extension services, it must be remembered that similar methods were quite frankly employed in developing early exports in several British territories when at a similar stage of development.

To turn to the agricultural products themselves, a summary of the present position is given by the following table of the principal items exported in 1948.

Product	*Value in Francs*	*% of total Congo exports*
Oil palm products (palm oil, palm kernels, and kernel oil)	1,890,229,000	17·7
Cotton	1,465,256,000	13·7
Coffee	474,380,000	4·5
Copal	126,949,000	1·2

The palm oil production comes typically from estates, run in

the main by the great concession-holding companies which have always played such a big part in the pattern of economic development in the Congo, more particularly in the mineral sphere. The largest organization for palm oil production is that of 'Huilever' (Compagnies réunies des Huileries du Congo Belge et Savonneries Lever Frères). In contrast with native preparation of oil from the fruits of wild palms in British West Africa, the companies enjoy the immense advantages of working with planted palms of selected varieties, using modern extraction machinery, maintaining a high level of quality, and handling the product economically in bulk. All these advantages Nigeria could have had, if in the nineteen-twenties she had responded to the wooing of Lord Leverhulme in the interests of plantation development. But for weighty social and political reasons this policy was not adopted, and the Lever interests, as well as others, found employment for their capital in the Congo, from which Nigeria has ever since felt a chill wind of competition. While the Congo plantations are probably not quite as highly organized as those in Sumatra, from which yields of 1½ tons of palm oil per acre have been maintained, they produce infinitely more than the half-ton or so of oil per acre of wild palms which is produced by British West African peasants. There is also a great gulf in quality between plantation oil, with less than 2 per cent of free fatty acid, and peasant-produced oil, which contains hardly ever less than 8 per cent and generally much more. This is one of the Congo products which finds a large market in the U.S.A.

The oil-palm plantations have been carved out of the central forest belt of the Congo. Cotton, on the other hand, is a product of the drier savannah regions lying both to the north and south. It is grown on a small scale by individual African peasants, said to number some 700,000; but external capital is represented in the form of companies holding exclusive licences to buy cotton and erect ginneries over large areas. The first of these, the Compagnie Cotonnière Congolaise, was formed in 1920, but it is now one of twelve which work 124 ginneries. The exports, currently running at about 45,000 tons, are not much smaller than those of Uganda or the Sudan, about which we hear a great deal more. Moreover, the workman in the Congo goes dressed in blue jeans which are a product of local textile mills (at Léopoldville and Albertville)—a stage which has not yet been reached even in British territories which are larger producers of cotton than the Congo.

Coffee production is shared between European planters and

African native producers, the former having under cultivatior 1948, 38,000 hectares of *robusta* and 10,800 hectares of *arabica.* protected market provided by the home country seems gene to make it possible to pay a somewhat higher price in the Eas Congo markets than in those beyond the border in Uganda.

Such is the present picture; the future is depicted in the year plan for the Belgian Congo which was published in 1949 general this envisages an all-round increase in crop product though it may be criticized on the grounds that many of targets for 1959 seem to have been envisaged merely by follov the rising curves of production over the last few years rather t by any genuine planning. The highest target is set for groundn with an increase of 292 per cent; bananas are the only crop which no increase is allowed. In contrast with many similar p which have been published for British colonies, no great hopes placed on the development of mechanization within this per Quite as much emphasis is laid on an increase of native f crops as on export products, for the Belgians are finding increa difficulty in provisioning growing urban centres like Léopoldv just as the British have found in Nairobi or Kampala. As in sev British colonies, one proposal to meet this situation is the const tion of large-scale grain storage and conditioning plant. erosion, while at present only locally dangerous in the Cong being watched, and a specialist Anti-Erosion Mission is at wor the most threatened districts of Kivu and Ituri.

The future development of one group of crops will be watc with special interest. These are the fibres which can be use jute substitutes. Many countries, in view of recurrent jute sh ages and the practical monopoly of this product held by I Pakistan, have made experiments with substitutes, but the Bel Congo is perhaps the only one where these experiments have resulted in any large-scale production. *Urena lobata* is a wild f plant indigenous to all tropical Africa; but while British colo governments have only recently begun experiments with it, Congo has already achieved an annual production of sev thousand tons, and a factory for making sacks from this mate has just been established at Léopoldville. A similar but less g quality fibre, which is also exported, is that known locally 'punga' (*Cephalonema polyandrum*). Production of these two fil is to be stepped up during the ten-year plan from the present l of 11,000 tons to 24,000 tons per annum.

Wide awake though they are to all the commercial possibilities, Belgian agricultural development of the Congo depends ultimately on a solution of the underlying agronomic problems. Reference has already been made to the generally poor quality of the soil. It is this which makes the work of agricultural research so important, and especially that carried out by 'Inéac', the Institut National pour l'Étude Agronomique du Congo, which is supported by contributions both from Government and from the great concessionary companies. Faced with the problem of a continuing decline of yields on land long cultivated, British agricultural departments in Africa are increasingly turning to a rotational grass fallow for the maintenance of fertility. The Belgians in the central forest area of the Congo have such a sparse population that they are able to afford the greater luxury of a forest fallow, which is even more expensive in land than the short grass fallow. A rotation of five years' cultivation, followed by fifteen years' forest re-growth before renewed cultivation, has been worked out by Inéac. This seems the most suitable method of cultivation, and this rotation formed the basis of the first of the so-called 'corridor settlements' in the Congo, which are undoubtedly one of the great colonial experiments of our times. By this system each cultivator is allotted a strip which he works on exactly the same rotation as contiguous strips on either side of him held by other cultivators. A whole block of holdings therefore presents a pattern in which continuous strips under the same crop run at right angles across the line of individual holdings, so that it is easy to introduce such communal practices as mechanical cultivation of a particular crop, or spraying with insecticides or fungicides. The system has been claimed to combine ingeniously the advantages of collective farming with those of individual tenure; certainly it is of the greatest interest to British administrators experimenting with various forms of 'group farming' to find the method best suited to African conditions.

A block of such holdings forms a long narrow corridor in the forest, which is laid out to run east and west in order to get maximum sunlight. This makes it easy to provide the settlement with administrative services, roads, and water supplies. Such advantages appeal to the Belgians, who in some parts of the Congo have long grouped the cultivators compulsorily in villages for administrative reasons. The corridor settlements have recently been extended also to the savannah areas with a grass fallow, and by the end of 1948 some 12,000 cultivators had been so settled.

Of course difficulties have arisen; some are sociological, a problem whether a bachelor should be given the same holding as a man with two wives. Others are economic; somet an excess of cash crops has been grown which could not be owing to distance from markets or absence of transport facil. But these problems are being tackled with determination; an the long view, the most significant proposal of the ten-year is the intention to settle one-fifth of all the peasant farmers on holdings by 1959. If the system can really be put into effect at rate, the Belgian Congo will soon become agriculturally wh already is industrially, the most highly organized countr tropical Africa.

It remains to be said that the Congo has in recent years play notable part in international co-operation for the developme Africa. She is of course a major supporter of the Internati Red Locust Control Service, established by the Conventio 1949, and subscribes large funds to it for the control of a whose breeding-grounds are close to her own borders. She also played a full part in discussions aimed at the control eventual elimination of rinderpest in Africa, on which the major conference was held at Nairobi in 1948. In 1947 Inéac a as host at the 'Semaine Agricole' at Yangambi, which was atte by delegates from most of the tropical African territories thrashed out many problems of tropical agriculture. In 1948 Congo again provided the setting for the still more impo 'Conférence Africaine des Sols', whose recommendations resulted in the setting up of the Inter-African Bureau for Conservation in Paris and an Inter-African Pedological Ser for which the material facilities are provided by Inéac. An ir national meeting of comparable interest was the 'Semaine Col ale', held in 1949 at the Université Coloniale de Belgiqu Antwerp, which enabled visitors to see for themselves the st current of interest in colonial affairs in the motherland, refle in the very thorough training given to recruits for the Col service at this institution. A point which appears to be of sp significance was the support, both moral and financial, give the Université Coloniale by the great importing houses of Antw for this reflects typically that alliance of governmental and c mercial activity which is at present the strength, but might day be the weakness, of the Belgian Congo.

G. B. M

The Stalin-Marr Philological Controversy in the U.S.S.R.

DURING the months of May and June *Pravda* published a series of articles in which the disciples and the opponents of the new theory of linguistics created by the Academician N. Y. Marr contended for the spiritual directorship and the administrative control of linguistic studies in the Soviet Union. The controversy came to an end on 20 June when Stalin, ostensibly in reply to a group of puzzled youngsters, gave the *coup de grâce* to Marrism and indicated the lines along which Soviet philology should develop in the future.

This clumsy and extremely ill-written article, distinguished by philistine common sense and a robust disregard for the niceties of traditional Marxist teaching, was Stalin's first extended utterance since his election speech of 1946. It has naturally aroused considerable interest outside the Soviet Union. Commentators in the West have found difficulty in believing that Stalin, after four years' silence broken only by a few anodyne ambiguities for the benefit of the foreign press, could devote ten thousand words to a subject like philology without some hidden political motive. It is not clear why, after a lifetime of hard-hitting bathos, Stalin should suddenly start speaking in riddles; and, in fact, the intrinsic ideological and practical importance of the philological dispute is sufficient to explain his intervention, and to show that he meant just what he said, although he did not say it very well.

The Japhetic Language Theory, or, as it is more usually called in recent Soviet writings, the New Linguistics, was the creation of N. Y. Marr (1864-1934), a specialist in the Caucasian languages who was elected to the Russian Academy in 1912, favoured the Bolsheviks at the time of the October Revolution, and was admitted to the Communist Party in 1930. Its claim to be specifically Marxist, and, indeed, the only possible Marxist theory of language, was officially recognized in the 1920s, and it has for the last twenty-five years enjoyed a virtual ideological monopoly of linguistic teaching and research in the Soviet Union, which its supporters have in recent years attempted to transform into an absolute administrative monopoly.

Marr based his doctrine on what he called 'the unity of the glottogonic process'—the very reasonable assumption, which

would seem too commonplace to be worth mentioning ha certain nineteenth-century scholars assumed the very opp that all languages originated in the same way and to suppl same universally felt human need. To clinch the matter, defined exactly the manner in which languages arose. At some in the Old Stone Age the instinctive, inarticulate cries with v primitive man accompanied his signalling gestures acqui significance of their own. They became instruments of 'l magic', and as such they were at first the prerogative of the cians who determined their significance. Eventually, as the of a struggle between magicians and laymen, words becam property of the collective and developed as an instrument of munication in the labour process. The class struggle bet speakers and gesturers has the pleasant poetry of a Platonic r and might command the same kind of assent. Unfortunat does not exhaust Marr's powers of clair-audience. Using the of 'palaeontological analysis', he bores through the linguistic of the past 50,000 years or so, puts his ear to the hole, and w paleolithic stiffening of the jaw repeats for us Man's First W All words that have been, that are, and that shall be, says Mar made by the permutation and combination of Four Elem which for the sake of convenience, and because in reality any reasonably dissimilar sounds would do, he calls by the an Caucasian tribal names, Sal, Ber, Yon, and Rosh. The se major thesis of the New Linguistics is an exaggerated pr against the classification of languages into family groups, descended from its own ancestral language. Marr, perhap asperated by the difficulties of working out pedigrees for hi Caucasian languages, inverted the traditional pyramid. The k languages, he maintained, did not originate in the fragment of a handful of proto-languages; on the contrary, all ex languages are amalgams of numerous earlier languages. common features of a particular language group are expl partly by the fact that the members of the group had assim some of the same components, and partly by the 'Stadial The This, the third major thesis of the New Linguistics, asserts all languages follow the same course of development, pa through a series of stages directly corresponding to stages i social development of their speakers.

This section of Marr's doctrine is perhaps the most con of all. On the one hand he maintains that particular lang

groups have congealed at a stage which the corresponding social groups have long left behind; and on the other hand he teaches that any radical social transformation is accompanied by a radical 'qualitative' change in the language of the society in question. The root of this contradiction is not far to seek. Marr's first thought, and it is an interesting one, was that individual languages take on their definitive form at a particular historical epoch, and that their specific features are explicable by the material culture and the social structure of the communities which created them. His later mechanistic synchronization of social and linguistic change was simply an attempt to adapt his theory to what he believed was the orthodox Marxist view. This contortion would have broken the back of his theory but for the extra suppleness it acquired from the concept of 'the class character of language'. Marx and Engels taught that thought and language were inseparable, as were form and content in any context. They also taught that the thoughts of the bourgeois, for instance, were not those of the proletariat. On this showing, why shouldn't the classes be said to speak different languages? Why, indeed, so long as we do not stop to inquire what the 'bourgeois', and what the 'proletarian', mean by 'horse', or 'teacup', or 'it rained on Wednesday'. Marr did not inquire, nor did his pupils. If Stalin later failed to see that Russian, the language of the victorious proletariat, is qualitatively different from Russian, the language of Tsardom, it is because he has always suffered from vertigo on the higher Hegelian trapezes.

It will be seen that there is little originality in Marr's fundamental tenets. The theory of the magical origin of language was borrowed from Lucien Lévy-Brule, whose *Primitive Thought* was translated into Russian with a preface by Marr. Schleicher held that all languages pass through the same stages of development which Max Müller tried to equate with phases of social development. Even the Four Elements have a precedent in Jacob Grimm's assertion that the earliest human speech consisted of only three vowels (a, i, u) combined with a very small number of consonant groups. The New Linguistics is a sport escaped from the same old Indo-European stables after kicking the walls down.

The New Linguistics, as Stalin said, belongs to the age of the Proletkult, the Rappists, and Proletarian Physics, the dizzy years of the early 'twenties when many intellectuals, among them some who had actually read Lenin and should have known better, were for hurling overboard lock, stock, and barrel the old bourgeois cul-

ture. Cranks and charlatans were not slow to present a bevy specifically proletarian arts and sciences. Marr cannot be di as a crank or a charlatan. He was a great Caucasian scho happened to have quaint notions about the origin, natu history of language. But in 1924 he looked at the dearest a successful of his brain children, took in a few tucks, p Marxist frill or two on her, and brought her out as a Ma Linguistic Theory, a proletarian science. With the patro the 'Marxist' historian Pokrovsky, afterwards discredited, 'Marxist' professor of literature, Fritsch, now forgotten, M the approval of the Communist Academy, and laid do thematics and the methodology proper to the new philolog proletarian era. Language was to be studied in close conj with the material culture and social history of the speake comparative study of language 'families' was deprecated. logists who wished to show themselves Marxist should en the comparison of languages usually regarded as 'unrelat belonging to the same 'stage', and of languages belonging t pletely different systems. They should also examine the his individual languages, with particular attention to the differentiations. Linguistic evidence itself should be subje 'palaeontological analysis'—i.e. the application of the Fo ments theory, amplified by the concept of 'functional sem which teaches that words are attached to the functions objects serve and not to the objects themselves.

The difficulties and temptations of philologists working ing to this programme can easily be imagined. Marr's am and bigoted gallimaufrey did not go unchallenged. The S Communist philologist Hannes Sköld sharply contradicte in 1929, and members of the Communist Academy itself ex doubts as to the orthodoxy of some of Marr's tenets in 19 the Party pundits were silent, and Marr's followers, entren the Institute of Language and Thought, methodically esta their ideological dictatorship over Soviet philology. The able to do this because they controlled the important p work which was the Soviet Government's main use for philo the business of language-building (i.e. the reduction and sta zation of previously unwritten languages, the creation literary languages and new technical terminologies for the farious non-Russian speakers of the Soviet Union). Most work was in practice conducted without reference to M

theory, but lip service to the theory was required of the language-builders, and of teachers and research workers in linguistic institutes. Marr's disciples were able to make appointments and dismissals as they pleased. They themselves carried out very little research into general problems of the nature, origin, and history of language, but they effectively hampered research and teaching along non-Marrist lines. Nuclei of opposition to the Marrists persisted, particularly in the field of Slavonic studies, which the Marrists for the most part artfully avoided, and in the Caucasus. Scholars like Vinogradov, Peterson, and Chikobava ignored or openly flouted the New Linguistics. Their eminence in their own fields protected them from 'administrative action', though not from bitter attack on the part of the Marrists.

In the post-war period Marr's disciples, of whom the most prominent are Academician Meshchaninov and Prof. Serdyuchenko, inspired by the Party's systematic tightening of control in various other branches of Soviet scholarship, intensified their efforts to suppress their rivals and to gear all philological studies into the Marrist programme. In a spate of newspaper articles they tore to shreds practically every serious philological work published in the Soviet Union in recent years, denouncing the authors as 'un-Marxist', 'idealistic', 'un-patriotic' and 'obsequious towards bourgeois theories'. Particularly sinister were the proceedings of a philological conference held in November 1948. Academician Meshchaninov delivered the main address, which was entitled 'The Position in Linguistic Science in connexion with the decision of the Presidium of the Academy of Sciences concerning the position and tasks of biological science'. Soviet philologists were to infer that Marr was the Michurin of linguistics, and Meshchaninov his Lysenko. 'Party spirit' in philological studies and adherence to Marr's doctrine were identical. 'Well,' said Vinogradov, grudgingly, 'I must master the Marxist method of linguistic analysis to be found in Marr.' At every philological conference in 1948 and 1949 the Marrists appeared to be having things all their own way, and no discordant voice was heard during the celebrations last year of the 85th anniversary of Marr's birth. The philological session of the Academy of Sciences in January and February of this year was mainly concerned with 'the creative elaboration of Marr's rich heritage', and Meshchaninov, with his chief ideological aide Serdyuchenko, again held the centre of the stage. There had been slight indications of official dissatisfaction

with the condition of Soviet philology, but foreign observers taken by surprise when *Pravda* announced on 9 May th: Editorial Board, in view of the unsatisfactory state of affa Soviet philology, was arranging a free discussion 'in order tl means of criticism and self-criticism the present stagnati Soviet philology may be overcome, and that a correct tren further scientific research in this field may be determined'. connoisseur of Soviet ideological controversies was thrilled t that the first contribution to the debate was a devastating atta the New Linguistics by Prof. Chikobava.

The anti-Marrists, indeed, had little difficulty in demonst that Marr's doctrine is amorphous, arbitrary, unproven, a contradiction with certain important Marxist tenets; that M followers had failed to revise or systematize his work; and while condemning the useful research methods of traditional parative philology, the New Linguistics offered no produ methodology to replace them. No reputable linguist, said Sanzheev, the Soviet Union's leading Mongolian scholar, attempted to make serious use of the 'Four Elements' since I 'Palaeontological analysis', said Chikobava, would be feasil all the 'stages' could be traced in every language system, b fact Marr taught that all languages except the Indo-Europea the Semitic had congealed at an archaic stage. In practice, Sanzheev, Soviet philologists must not investigate the affi and divergencies of related languages, but must confine thems to a general denial of the notorious proto-language. 'This n that in the field of comparative philology, the importance of v was highly appreciated by Engels, we are disarming oursely the face of bourgeois linguistics with its reactionary racial theo Marr's critics pointed to vital discrepancies between the Linguistics and Marxism. Marr denied that the original fun of language was communication, as Marx taught. He had inve the ridiculous fable of a class struggle (between 'speakers' 'gesturers') at a stage of social development when accordi Marxist theory there were no class divisions. He had recomme 'artificial measures' to speed the emergence of the future soc world language; but this would entail violence against nat 'which Marxism cannot permit', and contradicted the Ma concept of the withering away of national languages. Surely, Prof. Kapantsyan, providing Stalin with one of the main argun in his subsequent condemnation of Marr, grammatical categ

ere patently not affected by changes in the social system. While oncentrating their attack on the un-Marxist features of the New inguistics and its sterility, the anti-Marrists skilfully appealed o current ideological obsessions. Kapantsyan described the stadial heory as 'cosmopolitan'. Vinogradov, obviously emboldened by he campaign for the inculcation of 'Soviet patriotism', with its ealous championship of Russia's past glories, stated that 'in no ther branch of Soviet humanities has such a nihilistic attitude to he achievements of Russian pre-Revolutionary sciences prevailed s in the field of linguistics'. The need for new weapons with which o combat 'reactionary bourgeois pseudo-science' was one of the rime reasons advanced for discarding the New Linguistics. It was ecessary, argued Chikobava and his supporters, to remodel oviet philology, with the aid of the valuable methods of traditional omparative philology, on the basis of the teachings of Marx, ngels, Lenin, and Stalin.

Whether because of the inherent weakness of their case, or ecause they had reason to believe that the Party's decision had lready been taken, the Marrists made only a feeble defence gainst this powerful onslaught. Their own weapons had been urned against them. It was they who were now revealed as 'un-Iarxist', 'idealist' and 'cosmopolitan'; they who had invested the ndo-European languages with a bogus aura of superiority; they 'ho were disarming socialist science in its struggle against bour-eois science. Making the best of a bad job, they tried to retrieve heir position by a full confession and a promise of amendment. t was true that they themselves had lagged behind with the 'crea-ve elaboration' of Marr's heritage. That was why, they said, iming a wild blow at Chikobava and his associates, 'linguistic oncepts reflecting the imperialist policy of the Anglo-American loc' were still influencing Soviet philology. But they could not hrow overboard thirty years of linguistic, archaeological, ethno-gical, and historical research, and revert to 'the proto-language nd the comparative method'. Why, the comparative method had d some scholars to believe that the Slavs had borrowed culture 'ords from the Germans! The New Linguistics had its faults. t must be revised, systematized, elaborated. But it was still the nly foundation for a materialist and socialist philology.

It was to be expected that the controversy, to which *Pravda*, he organ of the Central Committee, had devoted so much space, 'ould be decided by the verdict of the Party itself. Zhdanov had

personally conducted the discussions on the ideological con of Soviet literature in 1946 and the position in Soviet philo in 1947. Lysenko's triumph in his public debate with the 'M Morganists' in 1948 was determined when he announced t had the backing of the Central Committee. Equally w ideological problems were involved in the philological contro None of the other social sciences in the Soviet Union has in years attempted to graft on to Marxist theory a body of do as ambitious and fanciful as the New Linguistics, and appa no high ideological authority since the discredited Pokrovsk testified to Marr's orthodoxy. Marr quite obviously contr Marx on some points, and Stalin on others. Any philological t setting itself up as a 'social science' has a relevance to the nati ties question, which is one of Stalin's specialities. Both sides controversy cited Stalin in support of their views. It is not surprising that Stalin, the 'greatest living Marxist', the 'coryp of sciences', and himself an injured party, decided to interve

His article was clumsy, long-winded, and banal, but f mentally sound. He began by denying the 'superstructural n of language; that is to say, the idea that the nature of a language is directly determined by the economic basis an social structure of the community using it. This must have as a shock even to the anti-Marrists, some of whom had Marr's greatest service to philology in his 'formulation c problem of the superstructural nature of language'. Languag thought, according to Marxist teaching, are indissoluble; all of thought are part of the superstructure erected on the ecor basis of a given society; therefore language is a superstru category. The anti-Marrists hesitated to pluck at the loose er this comic syllogism, from which the superstructural natu language is traditionally deduced, but Stalin has no patience Gordian knots. If Marr was logical when he preached 'ling revolution', Stalin was equally logical when, confronted wit fact that the Russian language, unlike the 'superstructur Soviet society, is fundamentally the same as before the Revol he rejected the definition of language as a superstructural cate His denial of the 'class nature' of language follows logically his first point. It is not true, he says, proving his point w common-sense interpretation of historical facts, that 'lan has always been and always remains class language, that th no non-class national language common to and single for so

le reminds the followers of Marr that 'a common language' is one f the classical Marxist notae of the term 'nation', charitably forearing to point out that this subject is fully treated in his own *Marxism and the National Question*. In this section of his article, Stalin makes some remarks on the relationship between the classes n a capitalist society so loosely worded that perhaps no other Marxist could have made them without rebuke, and provides the nore daring seekers for hidden messages with their most suggestive lue. 'The class struggle,' says Stalin, 'however acute, cannot ead to the disintegration of society.' No, he is not, at this late date, preaching 'class peace', not even out of tactical considerations, nor s he admitting that he sets little store by the class struggle inside apitalist societies as a means of attaining world communism. He imply means that, as long as a particular capitalist society survives, he classes are not hermetically sealed off from each other. They ight over common ground. They speak the same language.

Stalin went on to define the 'characteristic features of language', presumably for the guidance of those who will be called upon to reate the new Marxist philology which will replace Marr's docrine. As an essay in pure bathos, the passage is impressive. As a ontribution to linguistic theory, it is not worth consideration. Stalin in effect merely accepts the combination of Marxist theory nd the comparative method suggested by the anti-Marrists, withut giving any indication as to the lines which the investigation of anguage as a social phenomenon should follow.

Stalin expressed the opinion that *Pravda* had acted correctly in rganizing the discussion. The sooner the tyranny exercised by Marr's followers was abolished, and Marr's erroneous theories liscarded, the better it would be for Soviet philology. The Marrist egime was alien to science, which, it was well-known, could not lourish without a free battle of opinions. Lest the limits of his espect for the freedom of opinion be exaggerated, Stalin concluded y declaring the New Linguistics once and for all *hors de combat*. His later recognition of the fact that Marr had done valuable work n the field of Caucasian studies, before he tried to become a Marxist, entails no real modification of this verdict.

We should view with caution any suggestion that the philological ontroversy heralds an era of greater freedom in Soviet intellectual ife. The Party indeed, alarmed by the evidence of stagnation in nany spheres of activity, is busily stimulating 'criticism and selfriticism', the 'dynamic of progress in the Socialist age'. But

'criticism' receives publicity, and results in action, only wh
obtains the approval of a higher Party instance. The very fa
Stalin's intervention in the philological controversy should
it clear that the Party is tightening rather than slackenin
control of intellectual life. In this instance, it has suppress
obsolete and heterodox doctrine, and disowned the plenipotent
who exercised authority in the name of the Party itself. Bu
does not affect the principle, inherent in Soviet Marxism,
tirelessly proclaimed in Soviet learned publications, tha
branches of science are answerable to the high priests of Mar
the science of sciences. It is noteworthy that, at a conferen
physiologists during July, Stalin's phrase about the 'batt
opinions' was quoted by scientists insisting on the more
enforcement of fidelity to an officially proved doctrine, th
Pavlov, in their own field!

The future of Soviet philology can perhaps be conjectured
the contemporary condition of other 'social sciences' in the S
Union. It seems likely that Soviet philologists will dispense
any general linguistic theory beyond the philological *obiter*
of Marx, Engels, Lenin, and Stalin. The sociological obligatio
philology will probably be met by the interpolation of incid
passages of Marxist social history, and topical propaganda,
descriptive and historical grammars, rather than by per
attempts at a detailed investigation of language as a social ph
menon. So long as they take this precaution, the philologists w
allowed to write impeccable formal grammars and histori
single languages and language groups, a branch of scholarsh
which the Russians have a great tradition. From time to time
will be convulsed by spasms of criticism and self-criticism.
they will be disturbed by the grumbles of authority deploring
almost seems like a deliberate avoidance of major 'princ
works, and the obsession of scholarship with fragmentary stu
The voice of Soviet Marxism bewailing its own sterility.

D. B.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFOR

THE WORLD TODAY

Volume VI No. 9 September 1950

*

Notes of the Month

Defence Expenditures Compared

CHANGES in defence expenditure projected following the aggression against South Korea have substantially altered the world economic outlook as a whole. Defence expenditure in 1949 or 1949–50, expressed as percentages of national income, were quoted from the report of the Bank for International Settlements in a recent issue of *The Economist* as follows:

	Per cent		Per cent
United Kingdom	7.4	Sweden	3.6
Netherlands	6.1	Canada	3.0
U S A	5.9	Switzerland	2.7
Turkey	5 8	Belgium	2.5
France	5 0	Norway	2.5
Italy	3.8	Denmark	1.9

The most noteworthy omission is the Soviet Union, for which data are hard to secure and interpret. Budgeted defence expenditure for 1950 is 79.4 milliard roubles, virtually the same as the figure for 1949. The purchasing power of the rouble for purposes of defence expenditure is a matter of the utmost uncertainty. Russian prices as a whole are probably now almost three times as high as in 1938, when defence expenditure was 27 milliard roubles. If this is true of prices of defence goods and services, present budgeted expenditure would have a little more than the real value of that of 1938, which may, highly conjecturally, be estimated to be equivalent to some £2,000 million at present-day British prices. It seems likely, however, that some of the funds unallocated in the published Budget are destined for defence. The whole unallocated amount is about two-thirds as great as the defence estimate; it is highly unlikely that all this is for defence, but it seems reasonable to place total defence expenditure somewhere in the range of £2,000–£3,000 million at present prices. This is probably equiva-

lent to some 13–20 per cent of the Soviet Union's national inc

The United States military expenditure for 1950–51 recently been raised to $24.9 milliard, or about 10.8 per ce net national income. The United Kingdom Governmen raised expenditure for 1950–51 to £880 million, or about cent of national income, and in reply to President Trur inquiry has stated its intention of spending £3,400 million in the next three years (an average for the whole three-year peri about 10 per cent of national income). The French Govern in a corresponding statement estimated the present ra expenditure at 8.2 per cent of national income, and antici an expenditure in the next three years of 2,000 milliard f (some £2,000 million). This is between 10 and 11 per cent o rate at which the net national income is probably running a present time.

The combined national incomes of the United States United Kingdom, and France are probably equivalent to £50,000–£55,000 million at present British prices. Ten per of this total is equivalent to little less than a third of the pr Soviet national income, and almost certainly substantially gr than current Soviet military expenditure, great though the m of uncertainty surrounding any estimate of the latter must in ably be.

The expenditure of 10 per cent of national income for def which appears to have become a standard objective of the We Powers, is heavy in comparison with the practices of the Germany, Italy, Japan, and the Soviet Union all approached intensity of military preparation in the middle 1930s, whe United Kingdom was spending 2½ per cent, the United S 1½ per cent, and France about 5 per cent of their respe national incomes on military purposes. The intensity of the S Union's devotion of resources to military preparation is prob about the same as it was in the year or two before the Ge invasion of Poland.

Spanish Dilemma

On the agenda of the General Assembly, which meets this m at Lake Success, the question of the return of Ambassado Spain has been included at the request of the Dominican Repu At a previous session of the Assembly in May 1949, a resol sanctioning the return of Ambassadors to Madrid was narr

defeated. Great Britain and the U.S.A. were then among the sixteen nations which abstained from voting.

It seems probable that, should the item again reach the point of discussion at the coming session of the Assembly, the decision may this time go in Franco's favour. Mr Acheson, in a letter to Senator Tom Connally in January of this year, stated that the United States would now support such a resolution and would favour Spanish membership of the specialized agencies. (In June of this year Spain was admitted to the International Wheat Agreement, which is an instrument of the Food and Agriculture Organization. This was the first time she had been allowed to take part in a technical organization of the United Nations.) Mr Acheson also hinted that the United States would like to see Spain more closely associated with the countries of Western Europe but that a decision on this issue must be left to the countries concerned. The British view on such a closer association with Spain was given by Mr Attlee recently when he said that it would not strengthen the collaboration of the Atlantic Pact countries against Soviet Communism.

On the question of the return of Ambassadors to Madrid, the British attitude remains as stated by Mr Hector McNeil at the Assembly in May 1949. He then explained that Britain, although she had not favoured the original December 1946 resolution recommending the withdrawal of Ambassadors, could not support its revocation because such action 'might now be translated as an approval of Franco and of his methods of government'. Mr Bevin has said that although the British Government 'feel that there are practical advantages in having a channel of information and a possible means of humanitarian representation in the form of an Ambassador in Madrid', they will conform with the 1946 resolution until it is rescinded by the United Nations. It is however unlikely that a Socialist Government would vote in favour of a revocation of the 1946 resolution. The Conservative Opposition, on the other hand, favour both the return of Ambassadors and the inclusion of Spain as a member of the United Nations.

Despite the State Department's change of attitude towards the 1946 resolution, a firm front has been maintained against Spain's participation in direct aid to Europe by the United States Government. On 1 August the Senate by 65 to 15 votes incorporated in the foreign aid section of the Appropriations Bill an amendment providing for loans up to $100 million as economic aid to Spain.

Mr Acheson expressed his disapproval of this step, pointin that the Franco Government had not adopted a more demo regime, and that the Export-Import Bank therefore wa proper channel for loans to that country. (The Bank has at pr before it applications from Spain for loans amounting to $70 million but has not so far considered her a sufficiently business risk.) At the time of writing, the loan voted by the S has to be approved by the House of Representatives and re President Truman's signature. It seems unlikely that it survive at any rate the second of these stages. This possib coupled with sad previous experience when, in March 19 rather similar vote by Congress to include Spain in Marshal was reversed at the instance of Mr Truman, have mad Spanish press cautious of premature rejoicing, but the me has nevertheless been welcomed as a friendly gesture. A theory has recently found voice in Spain. It is said tha Western countries owe her a moral and material debt in h been the first to suffer in the fight against Communism. No would be required by Spain if this debt were to be paid up if she were also to receive compensation for the financial da incurred through the Allied naval blockade during the last

Stalin has certainly proved to have been Franco's best fr and as the cold war grows hot those responsible for the defen Western Europe have tended increasingly to look towards S with her strategic position behind the natural defences o Pyrenees and her large reserve of manpower. With an arn some 400,000 men, or about twenty-three divisions, she potentially available larger ground forces than France, at pr the greatest single contributor among the European countri the ground defences of Western Europe. It must neverthele remembered that however excellent the Spaniards may b fighters, they are by modern standards very poorly equip Moreover, a great deal of money and effort would be need improve Spain's roads and railways, which are at present condition to carry a military campaign. But perhaps the important point to bear in mind is Franco's past record as an Despite pressure from Hitler and Mussolini, to whom he ow much, he avoided giving his allies more than token military a ance in the form of the Blue Division which fought in the Ru campaign, nor were foreign troops allowed on Spanish soil. T seems no reason why he should not repeat this performance u

Spain were herself directly threatened by Russia. Moreover, despite recent utterances by Franco on the merit of dying in a good cause, he has in the past given warning of his intention to remain neutral in the event of a conflict. It is, however, probable that he would be prepared to grant the United States air bases in Spain on certain conditions. But Franco is a shrewd bargainer, and the terms are likely to be stiff.

Co-operation with Franco, even on grounds of strategic necessity, presents a dilemma to which there is no easy solution. But it would be unfortunate if the Western Powers, having compromised their position, were to find themselves with little in return.

Land Reform in Italy

Government Action and Southern Needs

THE coming autumn will be a crucial period in the long-drawn struggle to establish permanent and satisfactory measures of reform in Italy. Legislation, in itself, seldom makes news. Du the tedious months of debate while a bill makes its prog through Parliament—particularly slow when, as in the It Parliament, the various articles may be debated in detail in l Houses—public interest wanes, and scepticism sets in, comb with a general vagueness as to exactly what stage the propose form has reached. Attention is temporarily focused anew w 'something happens'—which, in the case of the land questio Italy, usually means the occupation of more land by peasants, politician's visit such as that of Signor De Gasperi to Lucani July. But a less publicized event, which may prove of far-reac importance, has been the passing, during the summer sessio the Italian Parliament, of the first completed laws dealing wi section of the proposed land reform and with its financing.

Inevitably, the major part of the proposed reforms concerns South of Italy. Inevitably, because the South is at the same t the most preponderantly agricultural region of Italy and the most neglected by past Governments. This is not to say that vious Governments have been unaware of the plight of Soutl Italy: it has, indeed, presented a perennial problem ever since country's unification, and several attempts have been mad tackle it—as witness, for example, the Parliamentary inquiry the conditions of the peasants in the Southern Provinces and Islands, which between 1906 and 1911 produced an imm report running to eleven volumes. But the difficulties and exp involved in improving the conditions of these intractable la proved so great that no large-scale reform was accomplished, much was left to the often inadequate efforts of individual la owners. Moreover, the problem was till recently generally regar as one of land reclamation pure and simple. This is how it treated under the Fascist regime, when certain areas, such as example, the Sele delta round Paestum, were picked out for clamation. The results as visible in improved fertility of the ch areas, and in the extermination of malaria there, were undoubt spectacular—the great show place in this connexion was, of cou

the Pontine Marshes, nearer Rome—but these isolated experiments failed to take into account the more fundamental question of the general social set-up, the relations between landowners, small farmers, and peasants. It was thought, in fact, that enough could be done by improving, here and there, in the most necessitous places, the state of the land itself. Anything more far-reaching involved a complete upheaval of existing social conditions—in other words, working on human material much more intractable even than the water-logged marshes of the Ager Pontinus.

Since the war the population problem in the South has become more acute than ever. In the past, until the American Continent shut down on immigration in the nineteen-twenties, the vast annual migration thither from Southern Italy relieved the congestion on the land, and the remittances sent home by emigrants were a stable support to their relatives. Often, too, having 'made their pile' in America, the emigrants would return home and invest their savings in land. But this outlet has now been cut off for nearly thirty years, and the effects are making themselves felt in over-population and unemployment,[1] on land which, however greatly improved and reallocated, can never hope to support the whole of the still expanding population.

It has been left to the post-war democratic Governments of the Italian Republic to envisage the problem of the redistribution, as well as the reclamation, of the land in its wider aspects, and to link these reforms with planning for the improvement of general conditions in the 'backward area' of the South.

THE LEGISLATIVE MEASURES

The Government which Signor De Gasperi formed after the elections of April 1948 was pledged, in accordance with electoral promises, to carry out land reforms. When plans for these reforms were first discussed, they were envisaged as applying to the country as a whole, and a law of nation-wide scope was drawn up and presented for discussion in Parliament. But the pressure of events and the need to get the reforms well under way while ERP aid was still available, coupled with the land occupations in Southern Italy last autumn and spring, caused the Government to decide to speed up the portions of the reform concerning the South, without waiting for the passing of the general land reform. As a

[1] The South and the Islands at present account for some 70 per cent of Italy's agricultural unemployment.

result, the legislation involved falls into three parts. These
(i) the general land reform, which, for purposes of the rei divides the country up into three Zones, A, B, and C, which is still under discussion in Parliament;
(ii) the portion of the general reform which concerns the Sou the so-called 'stralcio', or partial, law, concerning Zone which has already been passed by the Camera and c before the Senate in September;
(iii) the law concerning the Sila region of Calabria, whicl already been passed by both Houses and comes into effe once.

Thus it is in the South, with the Sila and 'stralcio' laws, tha first actual steps in land reform are being taken, and what is in these regions, where reform is most urgent, will serve model for the application of the reform in the rest of the cou

The specific proposals for the South will perhaps be readily grasped against a very broad outline of the agrarian re proposals for the country as a whole.

These general reform proposals fall into two parts: (i) the re of farm tenancy and labour contracts; and (ii) land reform. proposals for reform of agrarian contracts are in some ways of an innovation than the land reform itself, and are exp to affect the majority of medium landowners more profou Broadly speaking, the varying types of contract as between l owner and tenant—the renting of land for a fixed period, sharing, or farm tenure—are to be regularized in the ten favour. The lessee, whether of a farm or of a piece of land, is assured security of tenure and cannot be evicted except for reason ('*giusta causa*'—some obvious possibilities of disagree will arise in defining this), and the division of produce bet landlord and tenant under the crop-sharing, or *mezzadria*, sy so widespread in Italy is to be adjusted so that the tenant g larger share. At present the tenant in the North gets a half-sha the produce, and in the South very much less than half.

The land reform itself aims at effecting a redistribution of without fixing limits to property holding for the future. The property of any individual landowner is considered as a w irrespective of whether his estates are scattered throughout country. Properties having a rateable value of less than 30,00 (pre-war value)[1] are exempt. Beyond that figure, the quot

[1] All these calculations are based on the pre-war cadastral registers.

expropriation is calculated on the total rateable value of the property, taken in conjunction with the average income per hectare. This method, though extremely complicated, avoids the pitfalls of the two simplest criteria—expropriation based on either acreage alone or on total income of the property. The acreage standard would have left out of count such factors as yield and investment in the land, while expropriation carried out on a criterion of income might have left untouched large areas of land with a low yield, such as the typical *latifondi*. Expropriations may, in effect, work out at a loss of some 10 per cent on the estates least affected, and may rise to as much as 95 per cent on large estates consisting mainly of waste land or shooting reserves. Thus the landowner, even of a large estate, who has fully developed his land will suffer proportionately less than a smaller landowner who has neglected his property. It is estimated that altogether some 8,000 landowners will be affected. Experts reckon that the reforms may make available some 1,200,000 hectares of land, which would allow of the establishment of 180,000 farms of 6–7 hectares each.

For the application of the reform, Italy is to be divided into three Zones:

Zone A, comprising the irrigated lands of Piedmont, Lombardy, and Emilia, where large dairy farms are frequent, and where expropriation is to be carried out only on estates whose rateable value exceeds 200,000 lire (pre-war value—this would correspond to a present value of some £2,350, and might represent properties of from 375 to 500 acres, or a single large dairy farm); on estates where incomes fall below this figure, owners will be expected to carry out improvements themselves.

Zone B, comprising Southern Italy and the Islands, and land given up to 'extensive' cultivation in Latium, the Abruzzi, Tuscany, Campania, and the Po delta.

Zone C, comprising the rest of Italy, where the execution of the reform will be left largely to the owners themselves, who must carry out the required improvements within four years.

Expropriated landowners are to receive compensation on a basis of the taxation value of the expropriated land, plus 10 per cent, a quarter of the indemnity to be paid in cash and the rest in 5 per cent Treasury Bonds redeemable in twenty-five years, or less if requisite improvements to remaining land are carried out.

The land obtained through expropriation is to be allocated to the peasants for a trial period of two years, after which the peasants

will pay annual instalments for thirty years, when the land become their own.

The law governing the Sila region of Calabria is quite dis from the general land reform bill, and has already been passe the Senate in March and by the Camera in May. It differs in tain points from the general law, notably in fixing a lower of 300 hectares (750 acres), above which land on an estate is l for expropriation. The expropriations and allocations of land a be carried out through a special organization, the 'Opera p valorizzazione della Sila', which, within six months of the into force of the law—that is, by October—must settle all details of the plans for expropriation and make public announcement of how they are to be put into effect.

The 'stralcio', or partial, law covering Zone B of the ge reform, which will be the next portion of the reform to come operation, is framed on lines similar to the Sila law. It appli 'territories suitable for land reform and reclamation' in the S the Islands, and certain districts further north. The extent o expropriations, to be worked out by a special organization si to the organization for the Sila, must be decided upon b 30 June 1951.

FINANCING THE PLANS

The financing of these schemes falls within the framewo Signor De Gasperi's ten-year plan, announced last Marcl combat unemployment and relieve the depressed areas, par larly the South. This plan envisages an expenditure of 12c million lire a year for ten years, of which 100,000 million lire a is to be allocated to the development of the South, and the ren ing 20,000 to the Centre and North. A bill was passed in July se up a special organization, to be known as the Cassa per il M zogiorno, to administer the fund for the South. For the first years, 1950–51, two-thirds of this fund will be covered by Int Aid and the ERP lire fund, and the remainder from the Trea It is hoped that by 1952, when ERP aid presumably ends, ductive investments and the results of the new fiscal reform serve to finance a good proportion of the fund. Overall plan the South include both extensive land reclamation and impr ment (a target figure of 1,800,000 hectares has been mentio and the construction of new roads and aqueducts as well a repair or completion of old ones.

The financing of the Sila project is a separate affair, for which a special fund of 20,000 million lire has been allocated.

The cost of all these far-reaching plans will inevitably be very great, and there is probably a good deal of truth in the often-heard criticism that the funds allocated will prove insufficient. The hoped-for returns in increased productivity, as well as in more stable social conditions, can only be expected to make themselves felt after some years.

THE NEEDS OF THE SOUTH

It will be seen from the foregoing summary that the Italian land reform proposals differ considerably from the land reforms of the south-eastern European countries. Here is no drastic abolition of private ownership, no compulsory collectivization, and the total amount of land involved in expropriation transfers represents only a small fraction—perhaps a twentieth—of the total cultivable land in the country (excluding forest land). The Government has attempted to steer a middle course—and has, in consequence, met with opposition from both Left and Right. For critics from the Left consider the proposals nothing like far-reaching enough, and fear that the establishment of an insufficient number of small peasant-owned estates will merely, as time goes on and amalgamations take place, swell the numbers of the medium landholders, while the majority of the peasants will continue landless. The land-owning classes, on the other hand, for the most part profess to contest the method of the reform rather than the need for it. There are, naturally, landlords of the diehard type who oppose any attempt to subtract even the smallest parcel of land from their holdings; for land in Italy, and especially in the South, is synonymous with prestige, and even the poorest land brings in some easily-won income to the absentee landlord who shuts his eyes to the need for investment. But more intelligent opinion in this stratum of society is conscious of the signs of the times, and of the fate of landed property even in a country such as Britain. It is also realized that the undertaking and maintenance of large-scale irrigation and land-improvement schemes require a capital outlay beyond the means of many private owners. From such quarters the objection is rather that the transformation of the land should have been undertaken first, before handing it over to the peasants, and that the *latifondi*, or waste lands, should have been tackled exclusively first.

All this is highly controversial ground, and it remains to be seen

how far the fulfilment of the Government's schemes will justi the methods adopted. In the meantime, how do they correspo with the needs of the various regions involved?

Non-Italians, and even many Italians of the North, to whc Southern Italy is a *terra incognita*, are apt to think of 'the Sout *en bloc*, as a land of barren countryside and immense poverty. fact, of course, the three regions involved—Apulia, Lucania, a Calabria—differ considerably, both in the nature of the land a in its use and distribution.

Apulia, for instance, includes both the arid plain of the Tav liere, to the south of the Gargano, and the fertile coastal str stretching beyond it through Bari and its immediate hinterla down to Brindisi and Lecce. The Tavoliere, one of the are tackled by Fascist land reclamation, formerly poor pasture-land, now converted to wheat cultivation and crop-bearing tree mainly olives. Here large estates are owned by a few absent landlords and worked by day-labourers, whereas further sout round Brindisi and Lecce, where the soil allows of a much great variety of cultivation, including vines, olives, fruit-trees, ar tobacco, there are many small and medium-sized properties who owners live either on or near their land and take a constant an personal interest in it.

In Lucania, again, the northern province of Potenza contai many large estates of over 1,000 hectares, coupled with a va number of very small holdings with low yield; whereas roun Matera medium-sized estates predominate. The Ionian sea-coast one of the most desolate areas imaginable. Barren land is inte spersed with *fiumari*—stony river-beds, dried up in summer, an in winter filled with rushing torrents. Here is a region where lanc reclamation can do much, and a big scheme is already on foo under ERP auspices, round Metaponto, while new reclamatio works were inaugurated in July in the upper valley of the Agr Further west, the forest of Policoro, a shooting reserve owned b one of the big Calabrian landowners, presents the appearance of tropical jungle, and its clearance would be a tremendous unde taking, but a very necessary one if malaria is to be kept down i this region.

In both Apulia and Lucania water shortage presents great diffi culties. In Apulia, in particular, no river flows towards the Adr atic south of the Ofanto, while in Lucania, as we have seen, th rivers flowing into the Ionian Sea are irregular, and the land roun

‍m needs extensive drainage and irrigation. This south-eastern a is virtually entirely dependent for water on the Apulian ueduct, begun in 1906 but only completed in 1938, which addles the country from west to east, deriving its source from the ad waters of the Sele north of Eboli and, with its many branches, ving as the sole source of supply for the towns and villages.

This water problem is one of the reasons for the continued istence of the outsize, over-crowded villages or small towns ich form such a feature of Southern Italy. In times long past elling centres were built on hill-tops, or at any rate on raised und, to avoid the malarial lowlands, and as a means of defence inst marauders and bandits. The habit of herding together in se swollen townships has continued, partly because the aque-ct brings water to these centres, and also partly owing to the ip system of land cultivation and tenure, whereby peasants often it two or three small strips of land, each in a different direction, obably several kilometres away, so that the easiest method of rking them is to live in the centre.

The planners of the land reform hope to bring some order into s chaotic system of land tenure, by allocating single larger ldings to the peasants. Extension of the aqueduct system, new ds and the improvement of existing ones, and the building of uses in fresh areas near newly reclaimed land should relieve the ngestion in the towns and shorten the peasant's wearisome daily rney to his work.

Calabria presents a different type of problem. Here, at any rate the northern part, virtually feudal conditions still prevail, with st estates, often neglected or given up to wasteful extensive culti-tion. Water is less of a difficulty, but the coastal regions show the ects of failure to control the torrential rivers higher up. Centur- of deforestation in the mountainous region of the Sila, cul-nating in the Allies' requisitioning of timber at the end of the t war, has resulted in soil erosion, so that the rivers, swollen by e winter rains, become rushing torrents, breaking their banks d doing great damage. Reafforestation is already being carried t to some extent on the slopes of the Sila, under the Fanfani heme of two years ago for providing work for the unemployed; d it plays an important part in future plans for the Sila. These ns also include the settlement of some 1,000 new peasant farms, gether with six large central farms, on the hitherto uninhabited teau of the Sila, where much of the land would lend itself to

cultivation. This is a magnificent stretch of country, resembl an Alpine plateau, with an average height of 4,000 feet. Tech cians from the Sila organization have already carried out exp ments to ascertain the types of cultivation likely to be most s cessful there. If peasants can be induced to migrate to the r village communities to be started on the plateau, they will have chance of acquiring much better land than is to be found in barren coastal regions surrounding the Sila.

The peasants themselves, in the regions of the Sila and Ionian coast where actual expropriations have already b announced, hardly dare yet to believe that this time somethin really going to be done to alleviate their lot. With them the inn scepticism common to most Italians, especially in relation Government-sponsored projects, has been raised to utter incre lity through the failure to fulfil promises in the past. But now th have seen in black and white that the landowners whose names local bywords are to give up some of their land, and that see to carry conviction.

The land hunger in all these regions is a crying need Hithe the peasants have obtained on an average perhaps about 100 da work a year as day labourers on the big estates, for which th are paid at the rate of 100 lire (about 1s. 2d.) an hour. They only hope to live at mere subsistence level by supplementing t work through renting plots of land which they can cultivate themselves. Under the plans for the development of the Sou though it will be impossible to allocate land to all the peas families who need it, public works and land reclamation will p vide work for a great number more. It is superfluous to say h much needed are these 'public works' themselves, in villa which lack proper drainage systems and schools, means of co munication, and the most elementary housing requirements.

THE NEED FOR SPEED

These reforms have taken a long time to set on foot. This is entirely due to parliamentary slowness or obstruction. The w involved in preparing the groundwork is tremendous. The S organization, for example, was launched over two years ago, a has needed all the intervening period to complete a thorou examination of the land in its own relatively small region. T country has been surveyed from the air, charts have been p pared showing the character of the soil and the disposition

vater, and—most complicated of all—the cadastral registers have ieen searched to ascertain the present ownership of all the land nvolved. The preliminary investigations have been entrusted to xtremely competent agrarian technicians. The groundwork has ieen thoroughly laid, and will prove a vital factor in the success of he scheme, which is regarded as a prototype for reforms elsevhere.

But the time for preliminaries is now past. The peasants in the ila region have been promised that the first allocations of exropriated land will be made this October in time for the autumn owings. Previous experience has shown that discontent, in beyance during the busy harvesting summer, arises anew with he prospect of the winter months. Last year the forcible occupaions of land by the peasants—Communist-organized, but riginating in dire and genuine need—began in November and, vhen promises of redress remained unfulfilled, were renewed in he spring. Since then the Government has tackled the problem nergetically, and things have moved pretty quickly. But given the ressure of outside events, further delays, now that hopes have een raised, may endanger the success of these carefully prepared lans.

M. K. G.

New Hope for Burma

Politics and Prospects

HE strategic importance of Burma makes it timely to restate riefly the events preceding the independence of the country, to escribe the insurrections against the Government, and to sum up he situation as it appeared to a visitor to the country in the sumer of 1950.

In 1940 Aung San, the leader of a small band of revolutionaries alling themselves the Thakins, fled to Japan, and with twentyine others he accompanied the Japanese when they invaded Burma. He became a minister under Ba Maw, but when the 'inependence' offered by the Japanese was perceived to be a fraud, e took the leading part in switching the sentiment and energies of

the Burma National Army against the Japanese. It was he, t who created the Anti-Fascist Peoples' Freedom League (AFPF a union of no less than ten political groups, including the Co munists, which received some support from the Arakanese, Kare and Shans, as well as from the Burmese people as a whole. Af the liberation in 1945, the intention of the British was to inaugur a reconstruction period of some years to prepare Burma for long-promised grant of Dominion Status, but Aung San and otl AFPFL leaders, who had different views, managed to compel th reception into the Governor's Executive Council. They thereup found it expedient to break with their old allies, the Communis whose outlook and methods were found not to be in keeping w the national aspirations of the Burmese people. In January 19 Aung San visited England, and an agreement was signed with Labour Government whereby his Government was granted co trol over Burmese finances and the army and the right to hol general election for a Constituent Assembly in the following Ap the British Government binding itself to accept the verdict of Burmese electorate even if the result were a vote in favour complete independence. The AFPFL was victorious at the po

Aung San himself and six of his ministers were assassinated 19 July 1947 through the plot of a political rival, but Aung Sa associate, Thakin Nu, took on his work. The Burmese Constitu Assembly decided in favour of complete independence, and October Thakin Nu went to London to sign a treaty whereby British recognized the Republic of Burma as a fully independ State. This agreement came into force on 4 January 1948.

When Burma gained her independence, the country as a wh was behind the AFPFL. There were, however, some omino signs of dissidence. For example, the small number of Red F Communists, dubbed by certain foreign observers 'Trotskyit because of the extreme orthodoxy of their Communism, and l by Thakin Soe, maintained that an independence wrested from imperialists without a war was a sham. They and the White F Communists under the leadership of Thakin Than Tun, call 'Stalinists' by the foreign press from their communism of a mil hue, and 'deviationists' by the Red Flags, determined to oust t AFPFL and to denounce the Anglo-Burmese Treaty of 1947. T White Flags were considerably more numerous than the R Flags, and there was no co-operation between the two. Anotl force whose attitude at the time was an enigma was the Ka

Vational Union, which, without being openly hostile towards the AFPFL, was known to favour the creation of a separate Karen State.

In describing how the stage was set for the coming trial of trength it is necessary also to refer to the People's Volunteer)rganization. After VJ Day, Burma had to face the major problem f disposing of the large army of resistance to the Japanese. A small raction was absorbed into the Burma Army, a nucleus of which vas started at the time, but the majority were still to be rehabiliated into the community. General Aung San took upon himself he responsibility of converting the resistance forces into a Peoples' Volunteer Organization, with a view to finding an outlet for their ontinued enthusiasm in the cause of their country—and to give hem something to do. Some of the PVO proved easy to resettle, nd returned fairly quickly to their pre-war agricultural occupaions, but others were less easily disposed of. When Aung San vas assassinated his plans were left in mid-air, and the PVO fficers, deprived of guidance, began to replenish the ranks of the 'VO rather than to work for its liquidation. Admission was open o anyone who cared to join, irrespective of any record of military r resistance service. This resulted in the incursion of many unlesirables into the organization, and led to a perpetuation of the roblems of resettlement.

When degeneration set in in the latter half of 1947, many of the 'VO came under the influence of Thakin Than Tun and his Vhite Flags, but it is incorrect to say that the PVO accepted Communist teaching on any great scale. A considerable proportion of *Yebaws* (i.e. 'heroes', as they were affectionately known in the ountry) refused to be swayed by the blandishments of the allies f disruption, and fought on the side of the Government throughut the insurrections until they were disbanded on 19 July 1950. Jntil they aligned themselves against the Government, the dissilent PVOs, or for that matter the PVOs in general, were not known o have any policy distinct from that of the AFPFL in either lomestic or foreign matters. But having decided to set themselves gainst the AFPFL, they found it expedient to formulate a policy f their own. They thus adopted the Communist programme vhere it differed from that of the AFPFL, but, in order to keep hemselves distinct from both the AFPFL and the Communists, hey dropped an item or two from the AFPFL or Communist programmes. What they did drop, curiously enough, were the land

reforms and the proposals to expropriate foreign concern though this seems to have been due to confusion of thought rat than an urge to moderation.

Another organization which was to play a part in the com struggle was the Ministerial Services Union, whose members w later accused of acting as insurgent spies. The Karen Yo Organization remained faithful to the Government when KNDO[1] insurrection broke out. The All-Burma Youth Lea was originally affiliated to the AFPFL, but in December 194 decided to withdraw from the latter on the ground that it would in a better position to pursue its non-political and non-parti programme. The strongest groups in the AFPFL remained Socialists and the Yellow Band PVOs.

The White Flag Communists had planned an armed insurr tion to take place in mid-April 1948, and they prepared the grou for it by urging on labour to strike. Pyinmana Subdivision of Yamethin District was the stronghold of the White Flag Co munists. They struck with lightning speed in the Pegu, Toung Myingyan, and Bassein Districts, but their hold on these areas not sufficiently strong to enable them to stabilize their positi and when they were engaged by Government troops they br up into small guerrilla bands and took to the foothills and for reserves. The Red Flag Communists, though delighted to see 'deviationists' returning to the Party Line, still regarded them rivals, and there was frequent conflict between the two factio The methods of the Communists, which included terrorism a the expropriation of the rice and timber mills belonging to sm owners, disorganized village economy without benefiting people, and by May 1948 the armed insurrection was failing. T PVOs then offered mediation with a so-called 'Leftist Unity Pla

The Prime Minister, Thakin Nu, also had his plan for Lef Unity, and its fourteen points did not seem to differ fundament from those of the PVOs. It provided for the nationalization industries in the hands of the 'monopoly capitalists', the distri tion of land to the cultivators, State control of foreign trade, transfer of the Currency Board from London to Burma, restricti of foreign investments, the formation of an industrialization pl and the establishment of relations with the U.S.S.R. and Eastern Democracies. Part of the PVO, not satisfied with th demanded also a reconciliation between the Government and

[1] Karen National Defence Organization.

Communists, and this caused a split in the ranks. The extremists, known as the White Bands, revolted against the Government. They gained considerable initial successes but lacked co-ordination of command. This development naturally gave new hope to the dispirited Communists, and the situation became even worse for the Government when sympathizers with the insurgent factions engineered a mutiny in the Army.

In August 1948 Burma was faced with a crisis when the internal dissentions threatened to disintegrate the country. The only principle common to the insurgents seemed to be a determination to despoil the areas they controlled for their own benefit. Then, as a crowning embarrassment to the Government, came the revolt of the Karen National Defence Organization (KNDO).

The Government of Burma had undoubtedly been sincere in its moves to meet the aspirations of the Karens for a separate State, and on 20 October 1948 the Prime Minister had inaugurated a Regional Autonomy Inquiry Commission to 'explore ways and means of satisfying without hindrance all the legitimate aspirations of the Mons, Karens, and Arakanese nationals'. But the Karens mistrusted the Burmans, and sporadic conflicts occurred, culminating in attacks on Karen Christians while they were in church on Christmas Day 1948. This precipitated a rebellion. Many Karens remained loyal to the Government throughout the insurrections, but the KNDOs continued irreconcilable, demanding complete autonomy for all Karens—a demand which, seeing that Karens in some areas lived inextricably mixed up with the Burmese, showed no sense of reality. Unfortunately for Burmese-British relations, one or two British subjects actively assisted the KNDOs. In the six months following January 1949 the military situation was at its lowest ebb. The KNDO occupation of Insein, just six miles north of Rangoon, threatened the very capital of the Union. The area north of Insein and Pegu, along the Irrawaddy and Sittang valleys, was in the hands of either the Communists and the PVOs or the KNDOs. It was during these dismal days that the Ministerial Services Union resolved, by going on strike, to deal a death blow to the 'expiring' Government. In the words of the Prime Minister in his speech to Parliament on 14 June 1949, 'Anybody, whether he be the enemy of the Union or its friend, when asked about the political situation of our country, will answer that it is in an awful mess.' Thus when only a month later, on the second anniversary of the assassination of the Ministers (19 July

1949), the Prime Minister announced a programme of compl peace within one year, the idea seemed fantastic.

An official map of Burma showing the situation as it was 31 July 1949 reveals that the whole of the Irrawaddy valley fron point well north of Magwe to Henzada in the south was in hands either of the Communists or the White Band PVOs, a there were also pockets of disaffection all over the delta and Arakan and to the north-west of Shwebo. At the same time a gr area from Loikaw down nearly to Moulmein was controlled by KNDOs. Yet on the following anniversary of Martyrs' Day (July 1950), the Prime Minister was able to claim that 'althougl hundred per cent success has not been achieved, a commendal measure of success very satisfactory to peace-loving citizens of t Union has been attained'. But he went on to warn the people tl further efforts were needed to rid the country of the commu conflicts, and he thereupon announced a new programme with t battlecry 'From Peace to Stability'.

Opinion turns on the degree of success the peace efforts have far obtained. The Special Correspondent of the London *Times* ported on 19 July that a week's tour from Lashio through Nam Hsipaw, and Maymyo to Mandalay had left him with the impr sion that the Government writ ran in all important centres, b that many rural areas were still too insecure for administration to effective. The more cautious of estimates among observers w that the peace programme had been realized to the extent of 25 p cent of completeness, though one or two pessimists were not at sure that the back of the Communist insurgents, at least, had rea been broken. But the fact remained that river communication w now open as far as Mandalay, that the Government was sufficien confident of the future to disband its supporters, the Yellow Ba PVOs (most of the White Band PVOs had surrendered), and th general confidence was reflected in a distinct improvement trade. No one knows how many Karenni remained under arms the Karenni country, but large numbers had accepted the Gover ment's generous terms, and in the Delta another group had ma its peace with the Government and its members were helping police the country.

Meanwhile, developments in the external situation were havi important repercussions on Burma's domestic politics. When t United States intervened in Korea the press for the most part w in favour of Burma's remaining aloof, but when on 8 July t

Burmese Government decided to support the United Nations' Security Council's Resolution the press generally came out in support of this action. The four Burmese-language Communist dailies were an exception to this. A widely current feeling was expressed in the remark of *The New Light of Burma* that if a new world war broke out Burma would be only 'myeza grass between two fighting buffaloes'.

Interest naturally turns on the stability of the present Government. There has been a degree of contradiction between official Government policy and that of certain groups belonging to the AFPFL. For example, on May Day 1950, at a Trade Union Congress, Burma (TUC(B)) meeting, a resolution was passed that the Council should affiliate itself to the WFTU, the Communist-controlled World Federation of Trade Unions. It appears, however, that the resolution was proposed by a Communist agent who was not even a delegate, and was carried by a show of hands. Moreover, while the Government did not find it expedient to repudiate the resolution publicly, it apparently had no intention of allowing it to be implemented. Difficulties on a lesser scale were also created by the decisions of the Burmese Muslim Party and the peasants' organization to oppose the Government's policy on Korea. But in spite of all this, the general tendency of the swing in political opinion in Burma was at this time definitely towards the Right, and independents of conservative inclination were giving the Government some anxiety at bye-elections, as for example that at Akyab, to which town the Prime Minister flew in order to support the AFPFL candidate.

Burma was undoubtedly nervous regarding her position in the strategy of Asia. Thus the Kengtung incident of July was the subject of disquieting rumours. A defeated detachment of Chinese Nationalist soldiers had crossed the frontier from China, and were now located in the Burmese State of Kengtung near the Siamese border. When called upon to lay down their arms they had dug themselves in against the Government troops. It was reported that Mao Tse-tung had threatened that if the Burmese were unable to disarm them he would himself send troops to do so. This, however, was immediately denied by the Burmese Government. It was also said that the Chinese Nationalists in Siam were supplying the Chinese Nationalist troops, with the approval of the Thai Prime Minister, Marshal Pibul Songkran. This was definitely untrue, for the Marshal had ordered Thai troops to the border and had for-

bidden the Chinese in Siam to collect money for the use of these troops or otherwise to supply them. In Burma, the Chinese Embassy and Consular officials of the Nationalist Government had agreed to serve under the People's Government of China and were awaiting the arrival of the Communist Ambassador. While Burma recognized the People's Government of China, neighbouring Thailand still recognized the Nationalist representative. But whereas there are probably well over two and a half million Chinese in Thailand, there are believed to be only 250,000 in Burma.

Burma is still very weak in administrative personnel. She is by her constitution a Socialist State, yet needs to attract foreign capital. Public opinion remains suspicious of the policy of the remaining European firms, and resentment is expressed in particular at the dismissal by the Burmah Oil Company of some thousands of its employees on the ground that there is no work for them. The country has still enormous problems of reconstruction and development to face, though she is in the happy position of being a rice-producing country with a great export surplus (though only of 900,000 tons, as compared with three and a half million before the war). With the tempo of happenings in Asia and the possibilities of world war, Burma's geographic position is a source of lively anxiety to her people; but all in all she can look to the future with far greater hope than seemed justifiable a year ago

V. P.

The World Health Organization

AIMS AND FUNCTIONS

THE establishment of the World Health Organization is part of a concerted effort made by the United Nations to create a firm foundation of improved economic and social conditions for all mankind.

The ideas behind the Declaration adopted in 1945, in San Francisco, calling for the setting up of an international health agency, and the International Health Conference which in 1946 resulted in the adoption of the Constitution of what was to become

rld Health Organization, can be summarized in the follow-
ple terms:
e and security can be obtained on a durable basis only in a
d community composed of countries whose peoples are
ically and mentally healthy.
ie shrunken world of today the concept of health is indivi-
; that is to say that no individual, no nation, no group of
ns, can be considered safe from infection while disease still
ails in any part of the earth.
means, skills, and techniques for the eradication of most ills,
for the betterment of health, exist.
therefore the joint responsibility of nations to put an end
e unequal development in different countries towards the
rol of disease and the improvement of health, and thus to
all people to attain 'the highest possible level of health'.
World Health Organization, which in the summer of 1948
a permanent Specialized Agency of the United Nations,
nceived as the medium for this world-wide co-operative
through which knowledge and skills would be put at the
l of all countries needing them for the improvement of their
services, and which would also mobilize all available re-
for the solution of those health problems which lend them-
o international action.
concept of universality is one of the features which dis-
ies WHO from its predecessors, whose functions it has
ver as a *single* international health agency. Unlike the Office
tional d'Hygiène Publique and the Health Organization of
ague of Nations, to mention only two of the preceding
ations in the field of health, WHO intends to solve health
ns on a world-wide basis, because it fully realizes that in
i conditions only competely united action on the part of all
can provide adequate answers to those problems.
cond revolutionary innovation introduced through WHO
ay in which it defines the very concept of health. 'Health',
stitution reads, 'is a state of complete physical, mental, and
vell-being, and not merely the absence of disease or in-
.' It is obvious from such a definition that the World Health
zation must go beyond the purely defensive measures ap-
i the past to protect nations against disease. It must wage an
e battle against mankind's physical and mental ills by
ig their very roots, which can be found in the economic and

social conditions under which the great majority of people live today. It is therefore not surprising that its Constitution specifically charges the World Health Organization with certain functions which go far beyond the scope of the preceding agencies. Thus, the Constitution states that WHO should:

promote, in co-operation with other Specialized Agencies where necessary, the improvement of nutrition, housing, sanitation, recreation, economic or working conditions, and other aspects of environmental hygiene;

study and report on administrative and social techniques affecting public health and medical care from preventive and curative points of view, including hospital services and social security;

promote improved standards of teaching and training in the health, medical, and related professions;

foster activities in the field of mental health, especially those affecting the harmony of human relations;

promote maternal and child health and welfare, and foster the ability to live harmoniously in a changing total environment.

These functions are indicative of the general objectives which the World Health Organization has set itself, as well as of the way in which its work is related to the wide efforts of the United Nations WHO is not a supra-national health administration placed above the national health administrations of its respective Member States. Its only purpose is to help individual national health authorities in the solution of their problems. Through the co-operative action of its members, WHO aims at making it possible for all people to share in the benefits of medical and sanitary sciences and techniques which until now have been provided to only a relatively limited number of nations and of people.

In addition to promoting peace by raising health standards, WHO, together with its sister agencies, as well as with the United Nations proper, is serving the cause of mankind in demonstrating concretely how antagonism and isolation can be replaced by co-operation and solidarity as rules of international life.

STRUCTURE AND ACTIVITIES

Before outlining briefly the structure and activities of WHO, some space must be devoted here to the principle of regionalization, which, indeed, has become a basic principle of the Organization.

It was agreed at the very inception of WHO that in fulfilling its primary objective, that is to say, to help countries to solve their

problems, the Organization must take into consideration
nditions prevailing in those countries, as well as their specific
ements. This it was felt could only be achieved through the
lose contact which regional offices of WHO would establish
he countries concerned. It was as a result of those considera-
hat the First World Health Assembly agreed to the creation
regional organizations to serve the following areas: Africa,
mericas, South-East Asia, the Eastern Mediterranean,
e, and the Western Pacific. Eighteen months after the birth
Organization, three offices had been established, in New
Alexandria, and Washington, to deal with the needs and
ms of the regions of South-East Asia, the Eastern Mediter-
ı, and the Americas. An organization for the Western Pacific
rocess of formation, while a temporary office already exists
ırope.

structure of WHO, as it emerges after a two-year trial period,
igned to carry out a great number of activities which are
ed under two broad headings—Technical Services and
ory Services. The first group—the Technical Services—
can be considered as the 'fact-finding' arm of the Organiza-
ncludes various services which have been initiated by pre-
health agencies, and which, because of their very nature,
be performed by an international body. Indeed, biological
ırdization and the unification of pharmacopoeias, for instance,
or the pooling of knowledge and experience obtained in
ıs countries, and a study of standards of control measures
able and acceptable to all governments. The Division of
peutic Substances has made good progress in establishing
r international units for essential drugs and biologicals, pre-
an International Pharmacopoeia, providing sets of formulae
king up medicines of uniform strength everywhere, advising
nited Nations on addiction-producing (better known as habit-
ng) drugs, and in undertaking research work, particularly in
ction with the mass BCG vaccination programme which
.N. International Children's Emergency Fund (UNICEF),
candinavian Relief Societies, and WHO have been conduct-
the world-wide fight against tuberculosis.

remely valuable services to all countries, whether or not
bers of WHO, are rendered by the Organization in providing,
gh daily broadcasts over a world-wide radio network, the
information on outbreaks of plague, cholera, smallpox, or

other epidemic diseases anywhere in the world, to national health services and also to ships at sea and aircraft in flight.

The improvement of health is seriously hampered on both national and international levels by the lack in many countries of accurate and comprehensive vital statistics. It is one of the basic functions of the Department of Technical Services to help nations improve their statistical systems, or even to establish such systems, and to see to it that the greatest possible degree of comparability is ensured between the statistical methods established by those nations. The adoption, by the First World Health Assembly, of international regulations on health statistics, laying down certain principles to be followed everywhere, was an important event in the history of international health legislation.

Finally, besides issuing a large number of medical publications and scientific works, the technical services of the Organization are directly contributing to WHO's offensive against illness through various research projects on virus diseases such as influenza, trachoma, and poliomyelitis, as well as on a number of parasitic diseases including filhariasis and bilhaziasis, which may be strange names to many readers, but which incapacitate millions in vast agricultural areas of Africa, America, and Asia.

As the very name indicates, the Advisory Services, the second large department of the World Health Organization, were set up to translate into action one of the established concepts of the Organization, that of helping countries to build up efficiently their own health services through the application of knowledge and techniques developed in any one part of the world to other parts of the world having similar problems. These services are of various kinds, and the form of assistance to be given to Governments is determined by the degree of development reached by the health, medical, and related services of the respective countries.

One fairly general type of assistance is that aiming at the promotion of health through the formation of adequately trained personnel, by granting fellowships, advising training institutions, organizing seminars, and providing other means for the exchange of scientific information. Here are just two illustrations of the progress made by WHO in these fields. By 1950 more than 800 fellowships had been given to enable doctors, nurses, and various other medical and health personnel from more than thirty countries to undertake special studies abroad, thus learning new techniques which they can later apply at home. In 1949 WHO supplied, in

requests from Governments, 3,368 annual subscriptions cals, 3,133 books, and a great variety of other teaching such as filmstrips, slide projectors, anatomical charts, etc.

iding Governments with the services of experts to survey ı needs of their countries and to map out plans for the ıf those problems, and also in organizing demonstration ually to carry out certain health projects in those coun- ıO plays a direct role in the fight against disease and for ment of health.

PRIORITY SPHERES OF WORK

e of financial limitations (in 1950 WHO cannot count on ı $6,300,000) these services are, by and large, limited to ch the World Health Assemblies decided must receive onsideration. These are the fight against malaria, tuber- ıd venereal diseases, and the raising of health standards improvement of the health of mothers and children, ıon of sanitation conditions (still responsible for more than of deaths throughout the world), and improvement of

xamples will serve to indicate what has been done so far. ıple, seven teams demonstrating the control of malaria of spraying DDT and other insecticides, and teaching ıent of malaria cases with up-to-date anti-malaria drugs, ting in India, Pakistan, Thailand, and Afghanistan, to- :h an advisory unit in Iran, while consultants have visited ıtin America, the Philippines, and other countries. Then e venereal disease control programmes, with particular on early syphilis, syphilis in pregnancy, prenatal and ›yphilis, are being carried out in Haiti, Indonesia, Thai- ıa, and Ecuador. WHO also gives technical assistance to mass vaccination campaign conducted by UNICEF in a ıber of countries, while a WHO demonstration team has rork in El Salvador where a centre for tuberculosis will be soon established. Consultative services on a f aspects of maternal and child care were given to approxi- teen countries. Two teams of consultants specializing in ment of children with poliomyelitis have spent three ach in India and in Chile, and joint WHO/UNICEF re begun operations in Malaya and South Korea.

The partnership established with UNICEF in the case of some of the above-mentioned projects is symbolic of WHO's effort to co-operate to the full with all UN agencies whenever the occasion arises. Thus, parts of the WHO mental health programme, which, incidentally, is an entirely new field of medicine for international action, are closely related to UNESCO projects and to the work of the Division of Social Activities of the United Nations. The World Health Organization is collaborating with the International Labour Organization on occupational hygiene and the hygiene of seafarers, while most of the nutrition problems are handled jointly with the Food and Agriculture Organization.

FUTURE PLANS AND PROSPECTS

A rapid survey of the most important decisions made by the Third World Health Assembly, which held its session in Geneva in May, gives an idea of plans for the future. The Assembly gave new impetus to all existing programmes, and at the same time decided to expand campaigns against 'pestilential diseases', that is, plague, cholera, smallpox, yellow fever, and typhus. Thus, for example, vaccination against smallpox in tropical countries will be stimulated through the use of dry vaccines, while further research will contribute to the fight against yellow fever, which has been a devastating disease in Africa and Latin America especially.

Several devices were approved to remedy the shortage of physicians, nurses, laboratory technicians, engineers, and public health personnel of all categories, which remains the most acute problem in practically every country. Technical training of medical and auxiliary personnel is indeed an essential feature of the four-year plan approved by the Assembly, which is to start in 1952 as the beginning of a long-term scheme for the development and strengthening of national health administrations. There was general agreement by the delegates attending the Assembly that, in implementing this plan, WHO should concentrate on such health problems as are internationally acceptable and involve techniques which have proved sound and have passed beyond the experimental stage. The four-year plan provides for the development of the technical services already mentioned, with particular emphasis on health and vital statistics, and assistance to Governments in obtaining medical supplies.

Finally, the Third World Health Assembly adopted a programme of work through which WHO will carry out its part in the

Nations programme of Technical Assistance to Under- ›ed Areas. The joint FAO/WHO project, aiming at the on of malaria among agricultural workers and a subsequent e in food production, is characteristic of the health activities were included in that programme as prerequisites for any ınt progress in economic development.

ɜured against the tremendous health needs of mankind, the ıs made so far by the World Health Organization is, of a mere beginning. It will take a long time and much e to achieve the immediate objectives of the Organization, en more to accomplish its ultımate task, which is to help ıdividual, without discrimination as to race, religion, politi- ef, economic or social condition, to reach the highest possible ' health. But the job can be done. The world now possesses ılls with which to eradicate most of mankind's age-old ıl and mental scourges, and to raise a new generation destıned ealthier and happier life. What is lacking is the determina- pool resources and so make it possible for the millions of ıleged human beings to take advantage of them.

ther WHO will be able to carry out its projects depends on tent to which the governments of the world accept the ge before them. The great aspiration expressed in the Con- n of the World Health Organization, which has been signed enty-five nations on behalf of the great majority of the ı of the world, will become reality if the work of the zation is actively backed by all countries, including those have not yet joined it, and those which for various reasons eclared their intention to withdraw from it. WHO has been 'ed as a world-wıde Organization, and it can function pro- nd efficiently only if it has the co-operation of *all* nations ess of the economic, social, and political systems which ı to be theirs. WHO is a technical body devoted to the ıent of health, and it is indeed difficult to understand any ı which could justify 'pacifism' on the part of any country common fight for the attainment of a goal so essential to ısperity and peace of mankind.

hoped that all Governments will be ready to provide the zation with the services of men having the necessary experi- ıd skill in the various fields of science and public health, as a thorough understanding of the international obligations ›ent upon WHO, even if this means a temporary sacrifice

on their part. It is quite obvious that the task assigned to WHO can only be fully carried out by taking advantage of all forms of progress made in different countries in the world.

Another prerequisite for the success of WHO is the willingness of the Governments to spend a greater portion of their budgets on the development of their health services, and also to give WHO the necessary financial backing which will enable it to discharge its basic functions. Furthermore, the fullest co-operation of individuals, and their organized activity in the fields of health, are equally indispensable conditions for the success of the WHO programme.

To sum up, WHO requires from the representatives of its Member States, as well as from all people who support it, co-operation, lack of concern for individual, national, or regional advantage, and concerted action and devotion to its cause to a degree which has never yet been reached by any world-wide organization.

B. C.

The South Pacific Commission

A New Experiment in Regionalism

THE South Pacific Commission is the second multi-national regional organization to be created since the war—the Caribbean was the first. The Commission had its origin in the vision of the Australian war-time Minister for External Affairs, Dr Evatt. The South Seas Conference, which met and reached agreement early in 1947 on the principles that were to govern the structure and functions of the Commission, was due to his initiative. These principles are set out in an organic Agreement which received the signature of representatives of six participating Governments—Australia, France, the Netherlands, New Zealand, the United Kingdom, and the United States of America.

The main purpose in the minds of the participants in the South Seas Conference at Canberra in 1947 was to establish an organization which would fulfil the needs of dependencies lying in the

wholly or in part south of the Equator, which these terri-
ere unable to satisfy for themselves. This conception is
into the organic Agreement constituting the South Pacific
ision, Article II of which says:

> erritorial scope of the Commission shall comprise all those non-overning territories in the Pacific Ocean which are administered e participating Governments and which lie wholly or in part ı of the Equator and east from and including Netherlands New ea.

reement adds, however:

> erritorial scope of the Commission may be altered by agreement the participating Governments.

THE REGION AND ITS PROBLEMS

Pacific Ocean is spread over an area which is greater than regate of all the land masses of the earth. Even when the ng considered is restricted, by the explicit definition in the 'acific Commission Agreement, to the region lying almost south of the Equator, it is so prodigiously large that its s unimaginable for those who have not traversed it by ship. t surprising that the South Pacific is found to contain a de of communities in widely different stages of economic ial development. On the one hand are such sophisticated nities as those of the High Islands of the Eastern Pacific, nple Tahiti and the Cook Islands, which have been in : contact with Europeans, both physical and cultural, for rs, and which have developed a characteristic culture in oth components are evident. These Eastern Islands are d largely by people of a Polynesian strain. On the other e the Islands of the Western Pacific, larger on the whole in l populated by Melanesians and Micronesians, which have d relatively untouched by European influences, although the Islands have proved to be fruitful fields of development pean technology.

here are certain broad problems and needs common to the 'acific Region as a whole. Their existence has been recog-y all the Metropolitan Powers which participated in the eas Conference at Canberra in 1947. They were acknow-nd given formal expression in the Resolution which was d to the Agreement reached there. This resolution stressed cular certain needs which were considered in terms of

projects to be undertaken by the South Pacific Commission, a
were set out under the following heads:

Agriculture

(*a*) Biochemical investigations in connexion with animal nutrition.

(*b*) Systematic botanical investigations.

(*c*) Research into plant pests and diseases research.

(*d*) A biological survey.

(*e*) A study of the relationship between plants and their environme including soils and climate.

Economics

(*a*) An economic survey to include native industries, native fisher native trading systems, and native co-operative movements a organizations.

(*b*) A study of the mechanization of production and of suitable schem for the organization of uniform grading, packing, pooling, a marketing of primary products such as copra.

(*c*) The development of schemes for the introduction to and distrib tion in the territories of potentially useful species, varieties, breec or strains of plants and animals.

(*d*) The taking of all possible steps, within the scope of the functio of the Commission, to ensure adequate shipping services within t area.

Education and Social Development

(*a*) A study of the most efficient methods of teaching illiterate people read and write in their own language.

(*b*) A review of the research work already carried out in the field social anthropology, and consideration of future lines of researc which would be of value to the territories in connexion with educ tion and social development.

(*c*) A study of special educational and related activities for handicapp persons—the blind, the mentally backward, lepers, and suffere from other diseases.

(*d*) Research in the most efficient methods of training local inhabitan for health, education, and technical services, and a survey of existir facilities therefor.

(*e*) A study of the use of visual aids in education and in other develo mental and welfare activities.

(*f*) A study of the education and social development of women an girls in relation to the status of women in the respective commun ties and with a view to widening the cultural life and improvin the domestic conditions of women.

Fisheries

Fisheries research, including surveys and the testing of methods catching and of processing fish and other marine products, with t special aim of improving the nutrition of the local inhabitants.

Forestry—Survey of or research in:

(*a*) Forest resources in regard to areas, commercial timbers, and oth forest products;

(*b*) Forest management, including utilization of forests and forest products;
(*c*) Technology of wood and other forest products;
(*d*) The relationship between forests and water conservation, and soil conservation.

Health and Medicine

(*a*) A survey of improved methods of nutrition and an investigation of the relationship between nutrition and dental defects.
(*b*) An investigation to improve methods of village hygiene, including housing.
(*c*) General surveys of disease and disease-carriers, with particular research into:
  (i) the respiratory diseases (including pulmonary and surgical tuberculosis);
  (ii) leprosy;
  (iii) malaria prevention, and the dysenteries and other bowel infections;
  (iv) yaws and its relationship to syphilis;
  (v) filariasis;
  (vi) hookworm and other intestinal parasites;
  (vii) diseases of the skin.
(*d*) A study of infant and maternal welfare.
(*e*) A study of the human body's response to changes of climate and environment with a view to the improvement of diet and general living conditions.
(*f*) A study of quarantine procedures, including the existing international regulations, in order to meet the particular needs of the territories.
(*g*) The collection and dissemination of epidemiological information.

Labour

A study of labour conditions within the territories, with a view to improvement in accordance with the recommendations of the International Labour Organization wherever applicable.

Library

The establishment of an up-to-date technical and scientific reference library.

THE COMMISSION'S POWERS AND FUNCTIONS

These needs were envisaged as primarily regional; and with the example of the Caribbean Commission as an instance of a successful regional approach to the problems of a relatively underdeveloped area, it was felt that an equally bold approach to these social and economic problems of an even larger and more underdeveloped region could be successful. The representatives of the six participating Governments therefore incorporated into the Commission's organic Agreement the basic powers and functions of the

South Pacific Commission. The relevant article of the or Agreement is worth quoting in full:

Article IV—Powers and Functions

6. The Commission shall be a consultative and advisory body participating Governments in matters affecting the economic and development of the non-self-governing territories within the scc the Commission and the welfare and advancement of their peopl this end, the Commission shall have the following powers and func

(*a*) To study, formulate, and recommend measures for the develoj of, and where necessary the co-ordination of services affectin economic and social rights and welfare of the inhabitants territories within the scope of the Commission, particula respect of agriculture (including animal husbandry), comm tions, transport, fisheries, forestry, industry, labour, mark production, trade and finance, public works, education, h housing, and social welfare;

(*b*) to provide for and facilitate research in technical, scientific, e mic, and social fields in the territories within the scope c Commission, and to ensure the maximum co-operation an ordination of the activities of research bodies;

(*c*) to make recommendations for the co-ordination of local pr in any of the fields mentioned in the previous sub-paragraphs have regional significance, and for the provision of technol assistance from a wider field not otherwise available to a terr administration;

(*d*) to provide technical assistance, advice, and information (incl statistical and other material) for the participating Governmer

(*e*) to promote co-operation with non-participating Government with non-governmental organizations of a public or quasi-character having common interests in the area, in matters with competence of the Commission;

(*f*) to address inquiries to the participating Governments on m within its competence;

(*g*) to make recommendations with regard to the establishmen activities of auxiliary and subsidiary bodies.

7. The Commission may discharge such other functions as m agreed upon by the participating Governments.

THE RESEARCH COUNCIL

To enable the Commission to carry out these functions Agreement provides that it shall have a Research Council permanent Secretariat. The Research Council consists at pres fifteen members, all of whom are highly qualified professiona some particular scientific, professional, or technical field whi of close concern to the territories of the region. Only three r bers of the Research Council are full-time members; and

are in charge of sections of the Work Programme falling within the categories of Social Development, Economic Development, and Health.

It may be worth while here to point out that the setting up of a Research Council as an auxiliary body constitutes a fundamental point of difference between the South Pacific Commission and the Caribbean Commission. This is indeed a new feature in any regional organization: it has no counterpart in the Caribbean Commission, nor in other regional undertakings such as the Tennessee Valley Authority. The Caribbean Commission does initiate research work, but in so doing it has to make use of external agencies which are in no way comparable to the South Pacific Commission's Research Council. The work is 'farmed out' to agencies outside the Commission and is done by men who are no part of the permanent establishment. There are of course many other points of detail in which these two multi-national Regional Commissions differ (e.g. the number of the participating Governments). But they both have the same broad objective before them: the transcendance of a narrowly national approach to the social and economic problems and needs common to a wide natural geographic region, and the pooling of metropolitan resources of knowledge and skill to meet them. In the constitution of both Commissions, too, the need to associate the peoples of the region with the solution of common regional problems is recognized in the provision for holding periodical Conferences at which delegates representative of the indigenous peoples meet, discuss, and pass resolutions for consideration by the Commissions. If the existence of a Research Council as an auxiliary body suggests that more attention is to be devoted to research in the South Pacific Commission than in the Caribbean Commission, it should be remembered that the 'research' undertaken is intended to be chiefly 'Operational Research' rather than 'Fundamental Research' (Pure or Applied) as these terms are now understood.

The first two Sessions of the South Pacific Commission were largely taken up with the problems involved in setting up the executive organization required. They handled the tasks of making appointments to the permanent Secretariat and of choosing the full-time members of the Research Council, and the drawing up of Secretariat Staff Rules and Rules of Procedure for the Commission itself, and of its two auxiliary bodies, the Research Council and the South Pacific Conference. At the Third Session, however, the

solution of these organizational problems was far enough advai
to enable attention to be given to the definition of a Work Progran
It comprises a considerable number of projects falling within
fields of the three full-time members of the Research Counci
ready mentioned, and it was settled after very careful reviev
consultation with the Research Council, of the needs commo
the Region. The Commission had to guide it in this task the
of the Resolution (quoted above) which was adopted by the S(
Seas Conference at Canberra in 1947 relating to the regi
needs.

At the Fourth Session the Commission was able, for the
time, to undertake a review of its Work Programme, which
then been in operation for nearly six months. Even within
short period the South Pacific Commission could show s(
definite results of direct benefit to the region. For example,
project, the completion of a network for the reporting of epider
logical information throughout the South Pacific region, was
ready completed. A pilot experiment in community developn
was well under way.

But it was not till the most recent Fifth Session that the C(
mission was in a position to take stock of the whole field o:
activities, both administrative and functional, and to attemp
appraise how effectively its resources are being applied. This s
criticism, which is essential for any healthy development, w
noticeable feature of the Fifth Session; and it is hoped that it
continue to be so in subsequent Sessions. Certain principles
be discerned as gradually emerging from this critical stock-tak
The Commission is beginning to be aware that the 'Resea
which its Research Council is called upon to do must not be
marily of the familiar 'Fundamental' variety, but that it sh(
seek to be mainly 'Operational'.

There has been some criticism recently of the Commiss
particularly in England, by certain eminent Pacific savants, '
have claimed that the Research Council is ignoring its pr(
function, which should be to attempt to solve certain problem
Fundamental Research (particularly on the ethnological and
guistic side). This view holds that such Fundamental Researc
its proper role, because it needs doing and no individual terri
is doing it, though it would benefit the whole South Pacific reg
It has been said that the present Research Council is hardly d(
'Research' at all within the accepted meaning of the word;

ndeed it has been hinted that its members are not even capable of loing such work.

Such criticism seems entirely misplaced. It springs from an gnorance of recent developments in scientific work which have hown clearly that, besides 'Fundamental Research' (with its two sub-livisions of Pure Research and Applied Research), there is another mportant kind called 'Action Research' which has been particu-ırly developed in the U.S.A. in the anthropological field.[1]

It is not generally worth disputing about the use of words, unless o clear up underlying confusions of thought which may have ıarmful consequences. It might seem that the argument in this nstance is largely verbal; but there is a substantial point at issue ıere which the Commission, and the participating Governments esponsible for its activities, must settle finally in the near future. 'o put it crudely, if the Fundamentalist view of the Research Council's proper role were to prevail, then the Commission's vhole Work Programme must be orientated in quite a different vay from the direction it would take if, as now seems likely, the)perational view prevails. A fully Fundamentalist approach would ntail expenditure by the Commission on a much more lavish cale than hitherto; and it would require research facilities to be evoted to problems, the solution of which, however important in hemselves, cannot bring a direct return in practical economic or ocial benefits for a very long time. It is important, therefore, that ublic opinion in England and other Metropolitan countries re-ponsible for financing the expenditure of the South Pacific Com-nission should realize as clearly as possible the issues involved.

THE FIRST SOUTH PACIFIC CONFERENCE

Besides Research to discover the facts on which recommenda-ions may be made to participating Governments and their terri-ories, the Commission has another vitally important main function f which mention has already been made—the establishment and upervision of the South Pacific Conference. In view of the historic nportance of this first South Pacific Conference and its peculiar ignificance for the working of the South Pacific Commission it is vorth examining its work in some detail.

[1] Readers unfamiliar with the concept of 'Operational Research' (and of its merican counterpart 'Action Research') may find the following articles of me help: (1) 'Administrator and Specialist', in *Corona*, Jan., Feb., 1950; (2) *merica Indigena*, vol x, no 1

Article IX of the organic Agreement reads thus:

27. In order to associate with the work of the Commission representatives of the local inhabitants of, and of official and non-official institutions directly concerned with, the territories within the scope of the Commission, there shall be established a South Pacific Conference with advisory powers as a body auxiliary to the Commission.

The functions of the Conference are stated in the Agreement to be as follows:

38. The Conference may discuss such matters of common interest as fall within the competence of the Commission, and may make recommendations to the Commission on any such matters.

Accordingly, the Commission decided to issue invitations to the following Territories all of which fall within its defined scope. These Territories were asked to bring delegations made up thus:

	No. of Delegates	*No. of Alternates and Advisers*
Papua	2	4
New Guinea (Australian Trust Territory)	2	4
Nauru (British Empire Trust Territory)	1	2
New Caledonia and Dependencies	2	2
French Oceania	2	2
Netherlands New Guinea	2	2
Western Samoa	2	2
Cook Islands including Niue	2	2
Fiji	2	2
British Solomon Islands Protectorate	2	2
Gilbert Islands	2	2
Ellice Islands	2	2
American Samoa	2	2
New Hebrides (Condominium)	2	2
Tokelau Islands	1	–
	28	32

The Commission also hoped that besides these *non-self-governing* territories the Kingdom of Tonga would send a delegation. The Kingdom of Tonga is completely autonomous internally, though it enjoys the protection of Britain in its external relations in accordance with a Treaty of Friendship. H.M. Queen Salote of Tonga saw her way clear to sending a delegation comprising her eldest son Prince Tungi, the Prime Minister of Tonga (Tonga has a fully representative system of Government with a Cabinet), and H.R.H. Tu'ipelehake, the Governor of Vava'u (one of the islands of the group). Tungi quickly established a sort of informal leadership of

indigenous peoples, by his natural dignity and the broad ligent sweep of his views, which owed nothing to his heredi- status. His remarks on the need for streamlining admini- ion and for mechanization and modern technology, and also ıe desirability of all Pacific Islanders learning English, were of : significance. They did more perhaps to bring home to the gates that they were participants in a unified twentieth-century d than all other contributions.

ı all, fifty-four delegates and advisers, fully representative of genous leadership, assembled in the beautiful environment of Teachers' Training College at Nasinu, on a hill-top some five s from Suva, to discuss their common problems and to make · recommendations to the South Pacific Commission. Every ed territory in this vast expanse of the South Pacific Ocean a delegation, except the Tokelau Islands.

ıs perhaps impossible for anyone who has not travelled in the .h Seas fully to grasp the immense dispersion of these island ıps, and to appreciate the difficulties of bringing them together ne spot for mutual discussion. It was a considerable achieve- t, for which the competent permanent Secretariat of the South fic Commission deserves full praise.

he Agenda, which had been drawn up with great care so as to full opportunity for discussion of problems common to the ıon, dealt in particular with public health, which involved quito control and village hygiene; and with village schools, tional training, and co-operative societies. Economic develop- ts discussed included the improvement of the technique of :ries, and improvement and diversification of food and export ıs. Proposals were also made for a second South Pacific Con- ıce, and the Report to be made to the South Pacific Com- iion was discussed.

ollowing a suggestion by the United Kingdom Commissioner, Brian Freeston, the South Pacific Commission decided, at its rth Session at Noumea in October 1949, to have each of the ific health, social, and economic problems of the Agenda intro- ed by a written paper submitted by a delegation from one of six metropolitan spheres of influence. These papers were of in concentrating attention and discussion on some of the most ial problems besetting Pacific Islanders. They were circulated re the sessions and were critically and exhaustively studied by ı Delegation. There was a remarkable freedom from official

constraint in the attitudes adopted by Delegations. Several times opinions were voiced in plenary meetings (which were all open to public attendance) implying that Administrations could do more, and indicating deficiencies which no merely official assemblage would have thought fit to mention.

The method of work devised by the Chairman of the Conference, Sir Brian Freeston, Governor of Fiji and High Commissioner for the Western Pacific, was intensely practical and economical of time and secretarial effort; and there is little doubt that it was generally to his superlative chairmanship, and, in particular, to the discursive routine he devised, that the remarkable success of this first Conference was largely due.

The routine followed was to introduce each subject for which there was an introductory paper by an oral statement from the delegation submitting it. The subject was then thrown open to general debate, and in nearly every case each delegation spoke. An account of local conditions and problems was heard, followed by recommendations for action. These statements were afterwards given succinct expression in the form of resolutions, prepared by an *ad hoc* drafting Committee, representing all delegations which had contributed to the discussion; these resolutions were submitted for approval or amendment to a later plenary meeting of the Conference. Nor were important general principles emerging from the discussion forgotten If not always of immediate practical relevance, they will serve as valuable guiding principles, having the force of acceptance by this *advisory* 'parliament' of the South Seas, to which all participating Governments will be able to turn in framing future policies. This method of work, which proved outstandingly successful, was devised by a General Committee, elected on the first day to steer the Conference business, under the chairmanship of Sir Brian Freeston.

Altogether the Conference passed no less than forty-two resolutions containing general principles and specific suggestions, covering such multifarious themes as collaboration of experts, administrations, and people; media of propaganda; the role of women in village communities (in particular, committees of village women to promote knowledge and practice of hygiene); the conversion of refuse into valuable compost; the mass production of reading material, including text-books for village schools; steps for the promotion of vocational training; the establishment of an interterritorial co-operative buying and selling society; a condemnation

ıe use of poisons and explosives for fishing and a recommenda- of their total prohibition; intensification of research on soil ey and extension work; introduction of mechanized methods ;ultivation; the possibilities of hydroponics and improved hods of preservation and storage of foodstuffs. Some of these lutions covered topics already being investigated by specific ects of the Research Council of the South Pacific Commission, expressed the urgent interest of the peoples of the South fic Region in their outcome.

he results of these resolutions and of the report of the South fic Commission, which was unanimously adopted in the final ary meeting, were, as one Member of the Research Council ıted out, of two-fold significance: (1) they served to encourage fortify the South Pacific Commission in its present work pro- nme of research, since many of the resolutions showed that programme was directly related to needs most acutely felt by peoples of the region; and (2) they were most timely signposts ıture programmes of research.

PLANNING FOR FUTURE RESEARCH

ınce the Research Council of the South Pacific Commission to meet in Sydney ın August of this year, thıs second function specıal ımportance. At this meeting the Research Council will have before it a compact set of concrete suggestıons for further ɔn, arısing out of needs dırectly felt by the ındigenous leaders ıe people of the Region. This will be of the utmost significance, ing when the Research Council is in sight of fulfilling much of irst Work Programme, and when it needs guıdance and en- ·agement in devising proposals for another, to be submitted to South Pacıfic Commission at its sixth session. The Research ncıl of the South Pacific Commission can now go forward in knowledge that it has the support of those whose development welfare is their concern.

aturally the final decisions on practicabilities and priorities need to be settled by the South Pacific Commission in the light ıe conclusions reached at this meeting of the Research Council ydney; but these decisions will certainly be taken with careful rd to resolutions emanating from the South Pacific Con- nce. Thus the South Pacific Commission need no longer feel of those doubts which must beset any organization which ıs from above; and henceforth it can go forward in confidence

that its objectives are endorsed by the peoples it has come to serve; and it will know that it can get help and advice from them in future.

To summarize this short outline of the functions and objectives of the South Pacific Commission, one can say that, by the end of its Fifth Session which closed in Suva, Fiji, on 19 May, the Commission had definitely passed out of its inaugural stage. A considerable proportion of its first Work Programme, based upon the resolution passed at the South Seas Conference, had been accomplished. An efficient permanent Secretariat had been created, and a most successful South Pacific Conference of representatives of the indigenous peoples of the region had been held. Differences of approach and divergencies of view as to the proper future role of the Commission had been recognized and thoroughly discussed, without leading to any insurmountable difficulties. A more or less acceptable doctrine on the research required by the Research Council had begun to emerge. Generally speaking, the Commission may be said to have settled down to accept modest realistic lines of approach to its job, and to have got over any tendency to regard itself either as a super-government or as another international body of the status of an organism of the United Nations.

Of course some uncertainties must still remain as to the Commission's final functions and the scale of resources to be placed at its disposal by the participating Governments. One thing is abundantly clear: there can be no question of the South Pacific Commission being a Regional Colonial Authority on lines suggested by Field-Marshal Smuts, or even of its being an *executive* inter-territorial organization on the lines of the East African High Commission.

H. A. C. D.

THE WORLD TODAY

Volume VI *No.* 10 *October* 1950

*

Notes of the Month

The East German Drive for 'National Resistance'

At the end of July the Socialist Unity Party in the East German Republic held its Third Annual Congress in Berlin. Herr Pieck, State President, in the course of his opening speech, summarized East German foreign policy as consisting of the struggle for peace, the withdrawal of all Occupation Forces, the restoration of Germany's political and economic unity, and friendship with the Soviet Union and the People's Democracies and with all countries pursuing a policy of peace and respect for the national interest of the German people. The Socialist Unity Party, he said, must now lead the whole of Germany on the anti-imperialist road of peace and democracy. To do this the party must maintain close contact with West German workers, develop trade and economic relations with Western Germany, and work for the reunification of Germany. Herr Grotewohl, Minister President, speaking on the second day of the Congress, called for the 'liberation' of Western Germany. National liberation had now become, he said, a prerequisite for the social liberation of the whole German people. Since the Western Allies had broken the Potsdam Agreement and wrecked the Control Council, no West German was now legally subject to the instructions of the Occupying Powers. All those who had Germany's interest at heart could, and should, therefore, join the National Front. Everyone would be admitted who was ready to support the German national interest. Among those he mentioned as being welcome to join were former civil servants, soldiers and officers of the Wehrmacht, business men, and former Nazi Party members. To demand additional qualifications from members—that they should be anti-Fascists or true democrats, for example—dangerously narrowed the platform of the National Front and deprived the movement of its all-embracing mass character. Herr Grotewohl explained that he was referring to those members of the S.E.D.

who believe that the struggle for the dictatorship of the ɪ
is more important than the struggle for the National
democratic Germany.

A month later the first National Congress of the Natio
met in Berlin. According to the *Tägliche Rundschau* of 2
it was 'the biggest all-German gathering since the eı
Fascist regime'. Out of a total of about three thousand
more than one thousand came from Western Germany. '
gress adopted the programme for the joint-list elections 1
in October in the Soviet Zone, and discussed the Natioı
tance programme in Western Germany. The National]
declared to be the sole body representing all-Germar
interests, which alone had a programme for securing natio
Delegates demanded a peace treaty for the whole of Ger.
the restoration of Berlin as the capital. Herr Pieck gave ;
against the Western Powers' possible action in ending tl
war, which he described as 'deceptive manoeuvres'.
Deutschland (27 August) Pieck is reported as having
strikes by the workers for the defence and improvemen
existence were today a decisive part of the national figl
the Anglo-American war and colonial policy, and must
active support of the National Front and of democratic (
The all-German theme was again prominent at yet ano
ference in Berlin, that of the Federation of German Trad
On this occasion the claim was made that the Democratı
Republic could abolish unemployment in Western Gerr

In the German Democratic Republic the Socialist Uı
is thus being urged on to its all-German task of leading 1
of Germany on the anti-imperialist road of peace and de
In the Federal Republic, the Communist Party finds th
war a useful propaganda weapon in the peace campaigr
August demonstrations were organized in many towns—
Wiesbaden, Kassel, and Bremen among them—while Pe:
mittees collected signatures for the Stockholm Peace
There have, however, for some time been signs that t
munist Party in the Western Zones is neither entirely unit
itself nor entirely satisfactory to the leaders of the S.E.
Eastern Zone. Apart from the 'purge' of Kurt Muller,
munist member of the Bundestag who disappeared in M
reported to have been arrested and sentenced to impr
in Berlin, the Deputy Chairman of the Württemberg-Bad

munist Party was singled out for attack by the S.E.D. Congress as an opportunist, lacking in fighting spirit and in faith in the working classes. He was accused of refusing to read to his local party conference greetings from the S.E.D. in which all Germans were called on to rally to Russia in the event of war, of failing to stand up to terrorist anti-Communist measures, and of denying the possibility of organizing the Peace Movement in the Western Zones.

One unforeseen result of the East German campaign for all-German unity, peace, and democracy seems to have been the formation of a new independent Communist Party in the Western Zones. This was formed at a conference at Dusseldorf in July, at which speakers declared that they would not accept the Oder-Neisse Line as Germany's eastern frontier, or take political directives from foreign countries, or make use of industrial sabotage in the 'cold war'. One speaker went so far as to allege that an attempt was being made to turn the Communist Party into a foreign Storm Troop of the Soviet Union instead of continuing to serve the interests of the German workers. It remains to be seen what success this 'Titoist' revolt will have in weakening support for National Front propaganda.

The New Syrian Constitution

THE Constitution of the Syrian Republic, which had been drafted by a Constituent Assembly in 1920 and promulgated by the French mandatory in 1930, was swept aside by the military dictator Husni Za'im in April 1949. After his overthrow a new Constituent Assembly was elected in November 1949, and a new Constitution was adopted last month. It is essentially a compromise between widely divergent currents of opinion. Thus the sharp difference between those desiring closer union with the neighbouring Arab States (particularly Iraq), and those with vested interests in the existing Syrian Republic within its artificial frontiers, is papered over in the presidential oath 'to maintain the independence of the State . . . and work for the realization of the unity of the Arab countries'. The proposal that Islam should be declared the State religion, while guaranteeing civil and political rights without distinction of race or religion, was hotly contested by the politically-influential Christian minority, comprising some 14 per cent of the population, and by 'progressive' Muslims who regarded the proposal as 'reactionary' (cf. *L'Afrique et l'Asie*, no. 11 (3^{e} trimestre,

1950), pp. 7–9; Islam is constitutionally the State rel
Egypt, with her less influential Christian minority of 8 p
The provision of the 1940 Constitution that the Presiden
be a Muslim is therefore maintained. The balance of
between the President, the Cabinet, and the single-
Legislature is also maintained, although one body of
wished to strengthen the President's powers. In this conn
is to be noted that in Iraq the constitutional powers of th
were increased in 1943, in order to obviate that recourse to
intervention to end the life of discredited Governments wl
been an ugly feature of the years 1936–41. Nothing compar
been done in the new Syrian Constitution to curb the illeg
ventions in the last eighteen months of the Syrian Army, th
of armed politicians' which remains the real power bel
constitutional scene.

In these circumstances the promulgation of the new C
tion can only restore the semblance of legality; it cannot
restore political stability and respect for constitutional la
will follow only if Syria's politicians show greater readines
personal differences for their country's good than they sh
of doing. Meanwhile, the constitutional declaration (deriv
Ottoman law) that the ownership of land is vested in the St
that the occupier has rights only over the usufruct, could b
lude to much-needed agrarian reform; but more probabl
façade behind which the traditional exploitation of the
cropping cultivator by the landlord, with its revolu
potentialities, will continue as before.

Soviet Irrigation Plans

WITH world attention focused on Korean events, little no
been taken of some economic decrees of major imp
recently promulgated in the U.S.S.R.

The first decree (18 August) concerns a decision of the
of Ministers to introduce an entirely new irrigation systen
vast area of arable land. According to the Soviet press, ex
has demonstrated that the existing system of irrigation,
dense network of permanent canals, hinders the efficient
tractors, combines, and other agricultural machinery. Th
consequent under-utilization of irrigated land ranging from
per cent, with a resulting loss of from 3 to 5 per cent of th
After extensive research and experiment on State and c

farms, new and more efficient methods of irrigation have been evolved. Since permanent channels require constant attention, and, also divide the land into sections too small for efficient working by up-to-date mechanized methods, they are to be gradually replaced by temporary channels, dug only for the actual period during which irrigation is required, though fed from permanent trunk- and supply-channels. It is anticipated that this will greatly help to increase the yield of cotton, grain, and other crops.

The change-over will take from three to four years, and will affect an area of 4,337,000 hectares (10,714,119 acres) extending over eleven of the sixteen Union Republics: from the Ukraine, over the black-earth and steppe regions, Transcaucasia, Central Asia, and southern Siberia, right up to the Manchurian frontier. The Ministries of Agricultural Machinery and of Construction and Transport Machine Building are committed by the Government to supply in 1950–1 to the Ministries of Agriculture and Cotton Growing 24,800 excavating and other machines for the construction of the new temporary channels and the filling in of the old ones. Short courses, ranging from two weeks to two months, are to be organized for the training and instruction of the necessary agricultural and technical personnel. All research and experimental work, as well as technical supervision, will be financed by the State from the Budget; 40 per cent of the construction cost of the irrigation network itself will also be borne by the State, and the remaining 60 per cent by the collective farms themselves.

Of the other decrees, all complementary to this basic irrigation scheme, those of 21 August and 9 September concern the projected construction of two huge hydro-electric power stations with an average annual power production of about 10,000 million KW/hours each: one at Kuibyshev, with a capacity of about 2 million KW, the other at Stalingrad with a capacity of at least 1·7 million KW. In addition to supplying large industrial centres with power, these stations are destined to play an important part in irrigation. The Kuibyshev station, which it is claimed will be the largest in the world, should by 1955 be irrigating 1 million hectares (2·47 million acres) in the Volga region with water to be pumped from the Volga river and collected, by means of a dam, in a lake 300 miles long and 24 miles wide. The Stalingrad power station (to be completed by 1956) will pump water through the projected Stalingrad trunk-canal and other supply canals to irrigate a total of about 10 million hectares of land (24·7 million

acres) in the Caspian and Sarpinsk lowlands, the Volga-.
floodlands, certain black-earth regions, and the Nogaisk
It will facilitate the planned afforestation of those regions
creation of pasture land for large-scale livestock breeding

The fourth and last decree (of 12 September) provide
construction of a canal and dam system in the Tur
Republic between the river Amu-Darya and Krasnovods
Caspian Sea, to be completed by 1967, bringing 1
hectares (3,211,000 acres) of new land under cultivation fo
in the southern parts of the Caspian plain and in west
northern Turkmenia. This will also help to irrigate 7
hectares (17,290,000 acres) of pasture in the Kara-Kum

The Ministries of Power Stations, of Agriculture, of I
and of State Farms, and the Shelter Belt Afforestation
stration, as well as Soviet and Party organizations, are a
upon to co-operate in the realization of these projects. Tl
new scheme is clearly linked with the grandiose soil cons
plan announced in October 1948. The most prominent fe
this plan is the planting of forest shelter belts of a total l
3,300 miles over an area of 15·2 million acres, to be comp
1965. But it also introduces compulsory crop rotation a
measures for the increase of output and the lowering of pro
cost.

All these measures reflect the Soviet Government's co
increase the total agricultural product, which is evide
below the amount regarded as adequate for present an
requirements.

The Socialist Parties and European Unity

A British Labour Party View

At its second session in Strasbourg this summer the Consultative Assembly of the Council of Europe was clearly divided on a fundamental matter of principle. The division ran along national rather than party lines. In general the British and Scandinavian members favoured the existing method of co-operation between Governments by consent, while the French, German, Italian, and Benelux members wanted to create supra-national organs as a step towards political federation. The same division has frustrated every attempt by the Socialist Parties to elaborate a common policy on European Unity.

On the whole, enthusiasm for federation is in inverse proportion to the self-confidence of the Socialist Party concerned multiplied by the self-confidence of the country in which it operates. In this, as in most matters, the British and Scandinavian Socialist Parties have shown a total solidarity. Pragmatic in their approach to politics, firmly based on the support of an almost united trade union movement, they have all been continuously in power since the war. It is not surprising that they feel no impulse to submerge the national context of their success in a European Union, particularly when they observe the difficulties of the Socialist Parties in the rest of Europe. In the movement for European unity they are the most conservative of all political groups, since they have the most to conserve. But such Party motives only reinforce the powerful national arguments against surrendering power to a supra-national European authority. Geography has given all these countries an insular mentality. Norway, like Britain, is more attracted by the Atlantic than by the European community. Moreover, the Scandinavian countries share a significant experience with the nations of the British Commonwealth: they have enjoyed more friendly and effective co-operation with one another since they were freed of any constitutional compulsion to work together.

The British Labour Party's statement 'European Unity' can therefore be taken to represent the views of all the Scandinavian Socialist Parties. All of them see European unity as a technical

problem. They define unity simply as common action t concrete problems—the dollar gap, defence, and so on. T all adamant against any proposals which would limit their pursue socialism in their own countries, or which mig towards them the consequences of economic liberalism continent. Inter-governmental organizations depending sent provide the safeguards they require. They strongly re attempt to rob their Governments of the right of veto, or t fer power from the inter-governmental organizations to a assembly. Though purely Socialist considerations help to this attitude, it is in fact shared by the majorities of all the parties throughout Britain and Scandinavia—except th munists. Thus while all non-Socialist comment on 'E Unity' criticized the document's tone and rejected the parts of the argument, it soon emerged that there was stantial disagreement in Britain and Scandinavia on an political conclusions.

The attitude of the Continental Socialist Parties is different, since it stems not from strength but from weakne

The French and Italian peoples in general have stea confidence in their national polities. Years of war and occ have fortified a civic irresponsibility and administrative petence which make good government difficult. Widespr satisfaction with the existing national framework favours fe in principle—though local resistances might be no less against federation in practice.

Within this general situation the French and Italian Parties have special reasons for rejecting the *status quo*[1]. their countries their strength has declined greatly since th following liberation. Vacillating continually between of opposition, they occupy the uneasy and dwindling no-ma between large Communist Parties which have the overw support of the organized workers, and powerful right-wing which share none of their own fundamental attitudes. Bo leaders and followers are drawn largely from the prof intelligentsia and civil service; lacking both a coherent pro for practical reform and an organized membership, they far more on doctrine and general ideas than their r

[1] The Italian situation is complicated by the existence of three Parties—the Right-wing P S L.I. which is in the Government, Communist P.S.U. in opposition, and the pro-Communist P.S.I opposition.

colleagues. When the Communist Parties stole their Marxist thunder, they had to find some other political mystique. The slogan of European Unity was a natural choice, since it at once appealed to the international traditions of Socialism and offered a cure for the national failure of nerve.

Their experiences as junior partners in centre coalition Governments have also influenced their attitude towards European unity in many ways. On the one hand they believe that in order to exercise effective political power it is not necessary to have an absolute majority of votes, but only to be the most influential party inside the governing group. Thus the absolute numerical inferiority of Socialists in Europe as a whole worries them less than it does their British and Scandinavian colleagues—apart from the fact that they have much less to lose. On the other hand, they have developed a chronic schizophrenia which allows them to admit no responsibility even for governments in which they participate; this encourages a militant Utopianism which sees the governmental organizations, both national and international, as the main obstacle to European progress. Indeed, in opposing Governments they often seem to oppose democratic government as such. They believe that it is somehow possible to by-pass all the obstructiveness of national and local interest groups if power can be vested in a popular representative assembly for Europe as a whole. A supranational authority as they conceive it is almost a supernatural authority—it is the *deus ex machina.*

In Italy these generalizations apply most closely to the recently formed P.S.U. The leader of the P.S.L.I., Signor Saragat, is on the whole more attracted by the Atlantic Community than by a European Union. The pro-Communist P.S.I., of course, regards European unity as a camouflage for capitalist imperialism.

The Dutch Labour Party is in appearance more federalist than any other in Europe. Its 1950 Congress adopted European federation as part of its basic programme. It has produced some of the most prominent champions of European federalism. But it may be that such individuals, however acceptable as party spokesmen while federation is not an immediate probability, do not fully represent feeling among the party members. On European co-operation the Dutch Government, in which the Labour Party shares office, is usually closer to the Governments of Britain and Scandinavia than to its southern neighbours. There has not yet been any sign that the Labour Party dissents from its attitude.

The Belgian Socialist Party is generally committed by its outstanding leader, M. Spaak, to positions closer to the French than to the British; but here, too, it is uncertain how much the general mass of its members understands or cares about the issues at stake. The Luxembourg party for various reasons is sympathetic to the British attitude.

The case of the German Social Democratic Party is very different. Spokesmen of the German Social Democratic Party have supported European federation ever since 1946—but always on condition that Germany should participate on an equal footing with the other member States. Thus the Social Democratic Party for a long time opposed Germany's entry into the Council of Europe, on the grounds that the Saar had been invited to enter on the same footing. On 27 July 1950, however, the S.P.D. representatives in the Federal Parliament at Bonn joined all the other members except the Communists in voting a resolution which fully committed it to European federation as an immediate objective Though enthusiasm was based in some cases on a genuine idealism, it is impossible to resist the conclusion that the S.P.D., like most of the German parties, sees the movement for federation as the best way of ridding Germany of its disabilities as a defeated nation. Once the principle of equality within a European federation is admitted, Germany can hope to throw off all the restrictions imposed on her by defeat, or at least to see other countries accept the same restrictions. It is ironic that much of the French enthusiasm for European federation rests on the belief that Germany can be permanently controlled within a supra-national framework. On the general issue, as in the special case of the Schuman Plan, the French and Germans occupy the same position for diametrically opposite reasons.

There are of course individual exceptions to these generalizations. Moreover, all the federalist parties contain groups of doctrinaire Socialists who would support federation only on a Socialist programme, and who thus on occasion approve the British Labour Party's attitude. These groups form the main elements in the Movement for the United Socialist States of Europe referred to below.

The Socialist Parties began discussing European Unity together for the first time in March 1948 at a Conference in Selsdon Park, England, to consider European co-operation within the framework of the Recovery Programme. At this time all the parties

tracted by the idea of creating in Europe an independent ?orce, which, while working closely with the U.S.A., might to exercise influence as a single bloc on the policy of the ı Powers. They agreed too on the need for international ic planning as a means towards political unity. Even at this ›wever, the conflict arose between the French and Belgian :s' demand for a European federation and the functional h of the British and Scandinavian Parties. Nevertheless, ;don Park Conference concluded with a declaration of the ı Socialist Parties concerned, which implicitly established on as an agreed end of policy. '. . . It is urgent that ***until the States of Europe is established*** the sixteen nations now in the 'y Programme should strengthen the existing common ıtion so that a collective policy may be presented to the States Government on all questions arising out of Ameri- , and that mutual co-operation may be reviewed and d.'

ıtisfy the French demand for further discussion of the ıssues, a Socialist Conference was held in Paris in April which Mr Dalton led the British delegation. The same 'ments arose. Influenced perhaps by their environment, ish and Scandinavian Parties joined in a unanimous resolu- ich formally committed them to federation as an aim. The ɔn led off with the declaration: 'That the social, economic, .ural purposes of the workers (in the European countries) : be achieved in peace within the framework of a United f Europe, considered as a step towards world unity'. While g that European economic planning should be pursued O.E E.C. and E.C.A., the Conference considered that the of the Council of O.E.E.C. 'should be increased with a making it a nucleus of a federal power to which would hat part of national sovereignty voluntarily waived by the omposing it'. Further, 'the Conference declares it is the he Socialist Parties concerned to strengthen the effective ıtional powers of the bodies set up by the Five (Brussels ıd by the Sixteen (O.E.E.C.) and to seek in the latter a : basis for the establishment of the Council of Free ' The resolution also demanded that Parliamentary repre- :s should be associated with the work of O.E.E.C.

: is no doubt that this declaration went far beyond the ʌs of the British and Scandinavian Parties at least, and

its adoption became a source of great friction. The S.F.I.O was undoubtedly justified in complaining that the British Labou Party's policy as defined two years later in the 'European Unity statement represented a unilateral rejection of the Paris resolution

The Socialist Parties met again in May 1949 at the norma annual session of the International Socialist Conference. By thi time views had crystallized in most parties. After failing t obtain agreement on the general issues, the Baarn Conferenc passed a unanimous resolution dealing with the Council of Europe which had recently been created and whose Consultative Assembl was to meet in Strasbourg a few months later. It welcomed th Council 'as a step on the road to a permanent European Union with common administrative, economic, and social services unde the permanent supervision of responsible representatives of th peoples'. By this time the Third Force idea was dying a natura death; the Baarn resolution concluded by emphasizing that 'th problems of Europe cannot be solved in isolation: a Europea union will have to seek even closer economic and political relation with other regions of the world'.

At the Baarn Conference the Socialist Parties concerned in th Council of Europe agreed that their delegates to the Consultativ Assembly should confer during the Assembly's sessions to co ordinate, if possible, a common policy. In fact, however, the funda mental difference of principle between them, so far largely dis guised by equivocal formulas, could no longer be concealed in public debate with representatives of other parties.

Even in the 1949 session of the Assembly, it soon becam obvious that the fundamental division did not run along party lines. On the more important issues the Socialists found themselve divided. The federal principle had no more ardent advocates than the French Socialists Guy Mollet and André Philip and the Dutch Socialist Van der Goes Van Naters. On the other hand, since th Statute of the Council of Europe represented the greatest conces sion which the British and Scandinavian Governments could mak towards the federal idea, the Socialist delegates from those coun tries found themselves almost invariably opposing any suggestion for enlarging the Assembly's powers. The Continental Socialist felt that, by promoting the policies of their national Governments their Northern colleagues were denying both the traditions o international Socialism and the spirit of the Council of Europe The Labour Party representatives, on the other hand, felt that th

:h and Dutch Socialists showed more solidarity with the rful but unofficial European Movement than with their own ades. The mutual confidence of the Socialist Parties was fore shaken to the roots at Strasbourg.

ıe history of the relations between the Socialist Parties and European Movement had not been happy. Partly, perhaps, :cting that the British Conservatives were using it as a party ıment, the Labour Party had publicly discouraged its mem- from joining in Mr Churchill's United Europe Committee in 1947. The Selsdon Park resolution concluded with a covert ence to such unofficial organizations: 'The ideal of European can only be saved from corruption by reactionary politicians Socialists place themselves at the head of the movement for alization'.

ıe continental Socialist Parties became ever more restive at British Labour Party's failure to lead a Socialist movement for pean unity which might challenge men like Mr Churchill, Paul Reynaud, and M. Van Zeeland on their own ground. n the unofficial Hague Congress met in April 1948 many lead- ontinental Socialists attended with the full approval of their r organizations—notably MM. Spaak, Ramadier, and Philip. Labour Party discouraged its members from attending the ıe Congress, and it also remained equally hostile to the ıpean Movement which the Hague Congress set up to co- ıate the action of all the unofficial movements. At the Baarn 'erence the Socialist Parties agreed to leave one another com- freedom of action in relation to the European Movement. But presence at Strasbourg in 1949 of a powerful lobby from the ıpean Movement which organized resistance to the Committee linisters and worked for changes in the Statute confirmed the sh and Scandinavian Parties in their suspicions. Among the ates of the European Movement was a purely Socialist organi- n called the United Socialist States of Europe. Many attempts unsuccessfully made to associate the Labour Party and the ıdinavian Socialist Parties with the United Socialist States of ›pe. Though the Labour Party never adopted an openly ile attitude toward the U.S.S.E., the only British Socialists took part in its work tended to be associates of the Inde- lent Labour Party like Mr Bob Edwards and Mr Fenner :kway, who could not be considered representative of the our Party itself. Moreover, the U.S.S.E. adopted a platform

which conflicted with the position of the Labour Party on two points—it was committed to the federal principle, and it aimed at creating an independent Third Force between Russia and U.S.A.

In 1950 the division between the Northern and Continental Socialists on European unity had become so fundamental that no attempt was made to conceal it from the outside world. The Labour Party statement 'European Unity' provoked a public counterblast from M. André Philip, which undoubtedly represented the views of most of his French colleagues, though many regretted its tone. The conflict became most obvious at the 1950 session of the Consultative Assembly, since the double struggle of federalists against pragmatists, and of the Consultative Assembly against the Committee of Ministers, was incarnate in the persons of two Socialists, M. Guy Mollet, as the rapporteur of the General Affairs Committee of the Assembly, and Mr Ernest Bevin as member of the Committee of Ministers. At one point Mr Dalton's failure to vote in the Assembly for the General Affairs Committee report after sponsoring it in committee provoked M. Mollet into threatening resignation.

A further Socialist split appeared, this time inside the federalist camp, after speakers from all parties in Britain and Scandinavia had told the Assembly that their countries would not join a European federation. A few Socialists, led by M. Philip, wanted to set up a purely Continental federation. But the great majority of continental Socialists, led by M. Mollet, opposed this, though remaining federalist in principle. M. Mollet argued that Holland would prevent the Benelux countries from entering a federation without Britain. The federation would thus comprise only France, Germany, and Italy. The French people would never enter a federation with its recent enemies without the help of its traditional allies. Moreover such a federation would be dominated by Right-wing Catholics—the Socialist Parties in all three countries are traditionally anti-clerical. Here, too, the disagreement was personified when M. Mollet and M. Philip stood against one another to fill a single vacancy for a French Socialist on the Standing Committee.

This general pattern of Socialist disagreement applies only to the central issue of federalism versus inter-governmental co-operation. Even at Strasbourg in 1950 the Socialists worked together effectively on economic questions like full employment. They also joined in promoting a resolution on Peace which was

intended to offset the gloomy warnings of some early speeches on Europe's military peril. During the last two years they have organized Expert Conferences on the international control of basic industries. The second of these, at Witten in the Ruhr in March 1950, reached conclusions which foreshadowed M. Schuman's proposals for integrating the European coal and steel industries. Indeed, on the economic aspects of the Schuman proposals themselves, all the European Socialist Parties were in complete agreement; but here too opinion on the creation of a supra-national authority was of course divided.

The story of this failure to concert a Socialist policy on European unity repeats in miniature the story of the Governments themselves. There is no doubt that the bitterness which poisoned the argument in its later stages owes something to the levity with which the anti-federalist Parties at first subscribed to general resolutions which did not correspond to their real positions. This too has perhaps its lessons for the Governments.

D. W. H.

Industrial Conditions in Czechoslovakia

THE transformation of Czechoslovakia into a totalitarian Communist State is proceeding relentlessly in every sphere of life. Industry and agriculture are dominated by the Five-Year Plan, to which everything else has been subordinated. But the Communist rulers are encountering some substantial difficulties in their drive to ensure its smooth progress. Even when allowance is made for the propaganda value of their public criticism and self-criticism, it is clear that they have so far failed to achieve that greatly desired total change in the mental climate of the country.

As industrially the most advanced country within the set-up of COMECON, the East European Council for Mutual Economic

Assistance, Czechoslovakia, in pursuance of a policy approved by Moscow, has the task of supplying the Council partners—Rumania, Bulgaria, Albania, Hungary, and Poland—with the maximum amount of industrial equipment. In order to produce the great quantities of capital investment goods for herself and the 'people's democracies', not to speak of her main customer, the U.S.S.R., Czechoslovakia has embarked on a programme of rapid reorganization of industry, with, in the key branches, ever higher targets and mounting production speed. Unless the Government changes its mind about the pace of production, the Five-Year Plan is to be fulfilled by the end of 1953.

The new version of the 'operational' plan for 1950, passed by the Government on 13 June after substantial upward revision of industrial targets, faces the workers with tasks far surpassing those for 1949. Everything is focused on the speedy reorganization of industrial output, scheduled to go up by 70 per cent by the end of the Plan, as against 57 per cent as originally designed. That such formidable new targets should have been set at a time of the year when thousands of workers take their much needed annual holiday points to the urgency of the Government's intentions. Heavy industry, above all, is to be thrown into full gear at top speed In the heavy engineering sector under the Five-Year Plan, production is to be doubled in some items and in others trebled

MANPOWER SHORTAGE

Manpower shortage is the first hurdle. Two major industrial projects alone, the development of the mining and steel nerve centre of Ostrava and the industrialization of Slovakia, require thousands more workers. The Ostrava region, on the Silesian-Polish frontier, which accounted for some 70 per cent of Czechoslovakia's pre-war total coal output, has been ordered to produce 15 million tons of coal this year. This is a decisive part of the country's total. Last April the labour shortage in this area was officially admitted to be causing 'unimaginable difficulties' in the mining and foundry industries. Attempts to swell the labour force through 'voluntary' mining brigades, thousands of Youth League members, and the drafting of 10 per cent of all distributive and administrative personnel into production evidently proved insufficient. 'Persuasion', plus preferential wages, housing, and welfare policies, are being widely used now to recruit labour from other parts of the country for this key area. The huge sum of

Kcs 6,000 million (i.e. over £42 million) has been earmarked for development of this region in 1950 alone.

Slovakia, too, must be somewhat of a problem to the Government. This region, which is itself greatly in need of industrial labour and very short of skilled workers and technicians, has also to supply workers to the Czech industries. Yet without help from the western parts of the Republic, Slovakia's industrialization would be impossible. Slovak industries, which before the war employed about 100,000 persons, will need at least another 90,000 workers to carry out the Five-Year Plan. The furious pace at which the workers are being driven can be seen from the fact that in 1950, described as the 'vital' year for Slovak industrialization by 'Stalinist methods', some branches are to attain output quotas which were originally scheduled only for the third, fourth, and even the fifth year of the Plan. Labour distribution in Slovakia is apparently very uneven. The Slovak building industry alone employs more workers than planned, and last March accounted for one third of the total labour force of the area

Labour recruitment has thus become an important matter for industrial policy. Recruitment is now largely in the hands of the Local National Committees. These have just been reorganized and staffed with thousands of men and women regarded as reliable by the Communists. In mid-July, too, Parliament passed the Youth Employment Centre Bill, conferring upon this new central office the prime task of drafting young people into the key industries, especially mining and heavy engineering. The Employment Centre will use its wide powers to direct 40 per cent of the nation's children of school-leaving age into industry this year. The training of workers presents some difficulties for the Government. The shortage of qualified mining instructors, for example, is a serious problem. Of the 57,500 boys and girls leaving school this year, more than 2,200 will have to go into industry without any training or training facilities. Yet Party officials and the Central TU Council have been blamed by the Communist leadership for lack of 'boldness' in their 'cadre' policy. They have been told that the country simply cannot afford to wait for technically skilled men and women to graduate from universities and colleges. In the case of Slovakia, according to the Slovak Communist Party leader, this would mean the enforced postponement of reconstruction by several years.

That women should play an increasing role in industry is not

surprising. The leaders of the Women's League regard Czechoslovak housewives as the main female labour reserve. Many women are already holding jobs in the steel industry which had previously been occupied by men only. Thousands more are wanted for posts where, to quote the Czechoslovak Premier, 'men are an unforgiveable luxury'. What the long-term effect of this mass transfer of women from home to factory may have on the birthrate is another question. Officially, the employment in industry, transport, and distributive trades is portrayed to the women as desirable for the sake of woman's economic independence and 'true equality' with man.

LOW LABOUR PRODUCTIVITY, SHOCKWORK

The Government has also many complaints on the score of low labour productivity, although there appears to have been some improvement. President Gottwald, in his major speech at the May Congress of the Party in 1949, regarded the labour productivity increase of 3·2 per cent over the 1937 figure as entirely unsatisfactory. The Communists have constantly endeavoured to reduce the wages ratio in production costs. Last year, however, it went up to 19 per cent in Slovakia.

To achieve a permanent increase in labour productivity the Party and the Trade Unions it controls have been running a persistent and comprehensive campaign for 'socialist emulation and shockwork' in the factories, the press, on the radio, and at public meetings.

Czechoslovak industry has taken over from the Soviet Union the complex system of 'norms' (or standard tasks) and the policy of 'pay according to quantity and quality of work'. A State Labour Catalogue classifies all types of productive work in eight categories. Basic time-rates, last March, for the simplest jobs were Kcs 8·20, and for the most complex and skilled operations Kcs 18·20. Piece work is paid better, with anything from 10 to 20 per cent or more being added to the basic rates. The norms determine the time needed for the performance of a specific task and the quantity of goods to be turned out within a given time. The whole wages structure is supposed to be based on the Labour Catalogue categories and the system of norms. The 'shockworker' is expected to exceed his norm by a certain margin during a fixed period. Individual workers, whole teams, shops, and factories are all

mulation', following the latest pattern from the U.S.S.R. In order to keep the Czechoslovak workers hard at it without ıy let-up, the most plausible and impossible pretexts have been hosen in the last year to organize 'shockwork' shifts, lasting eeks and even whole months. No event was remote enough to be nored: Stalin's seventieth birthday in December, the anniversary f the February revolution of 1948, the May Day celebrations, the olitical 'spy' trials, even the allegedly imported Colorado beetle, ıd, of course, the Korean war—all have been turned into nspiring' occasions for even harder work, and for 'decisive plies to imperialist intrigues, sabotage, and warmongering'.

Leading Ministers have made it abundantly clear that the Party onsiders the old industrial norms as too low, 'obsolete', and nadequate'. For months there has been an unabating and renuous political campaign for the introduction of stiffer standards. Engineering and technical personnel in the workshops and ctories are now charged with the task of working out new orms, and the works manager has direct personal responsibility. laturally, the Party is keeping a watchful eye on the whole atter.

Despite the praise that has been bestowed on many individual ctories and the much advertised progress in the development of ıockwork, this sustained propaganda does not seem to have had ıe desired results. There has, of course, been an increase in the umber of shockworkers since the Party Congress in May 1949, hen the Secretary-General bitterly complained that, with 900,000 ommunist Party members in industry, there were only 65,000 ıockworkers, and many of those were not members of the Party. n the other hand, even shockworkers seem reluctant to join the arty. This is of some interest, since the Communist Party had, in ıy case, restricted applications for 'candidate' membership to ıockworkers only. The reasons were political. Yet it has been fficially admitted that, for example, between May 1949 and ebruary 1950 not a single shockworker was gained for the Party the Stalin Plant, the vast combine for synthetic oil in Most and vital industrial stronghold. In Slovakia between May 1949 and lay 1950 there were only 522 applications to join the Party, and nly one State Farm shockworker applied. This can hardly convince the Party of its popularity among the workers.

Notwithstanding the stream of reports in the Party press of ontinued progress in the socialist emulation drive, this campaign,

too, has been suffering from difficulties. For a while, the task of organizing 'socialist emulation' was in the hands of special 'emulation' officers in the factories. They have been found wanting and the post as such has been abolished. Henceforth, Party and Trade Union officials on the spot, foremen, shop managers, and plant directors will be responsible. Last February there were still numerous complaints from the highest quarters about the impossibility of ensuring the rapid growth of shockwork and socialist emulation in heavy engineering, mining, and the ceramic and building industries, the very branches where their development was most desired. The same applied to State farms, machine tractor stations, and State forests. It was chiefly foremen and technicians who were accused of lack of interest.

WAGES POLICY

On various occasions the Party leaders have attributed this unsatisfactory situation to the prevailing 'wages disorder' A few months ago, at any rate, vast sections of industry had not yet worked out proper standards for individual operations. Instead of scientific rate-fixing, rule of thumb methods had been the basis for wage assessments. Norm fixers were blamed for wanting to preserve the worker's former earnings, irrespective of his performance. There was much bad blood in industry because in some factories good wages could be earned for relatively little effort, whereas others had introduced much stiffer standard tasks. The difficulty has been, of course, to convince the workers that higher standards of production will bring them a chance of better living It is doubtful whether the Party officials in industry have either the knowledge or the patience to explain to the industrial worker such unpalatable matters as the need for ever harder work. Otherwise the Czechoslovak Premier would hardly have castigated the Trade Union leaders last April in the way he did Party officials seem to think it the duty of the Trade Unions to prevent shockworkers from earning good money, he said. This was a fundamentally wrong attitude. He quoted the example of some shockworkers who had voluntarily raised their standard tasks seventeen times within a short period. In the end they found they were earning a ridiculously small sum in excess of their earlier income. What point was there in all their endeavour? Until very recently there also existed a ruling that earnings in factories must not exceed the set rate for the job by more than 20 to 30

er cent on the average. This has worked as a disincentive. Worse still, there has been justified and widespread anxiety mong industrial workers that the standard tasks would contantly be raised, and that they would have to work harder than ver merely in order to enjoy the same incomes as before. The abour Minister admitted this state of affairs in March, and emanded an end to the continual and automatic revision of orms whenever the wages ceiling was reached He suggested that, for a certain time' at least, the shockworker should be allowed to njoy his increased income. The Communist leaders of industry ave obviously learnt the lesson now, for on 14 July the Government decided to guarantee the norms, as established after yet nother revision, till the end of 1951. Generally speaking, this will nean another upward revision of norms in most branches of ndustry this summer. In any case, ordinary time rates are rapidly ecoming the exception in Czechoslovak industry. Proficiency onuses are to be extended to as many workers as possible. A system of premiums, under which a worker who exceeds his norm is aid a bonus on the whole of his output, is to be adopted in all ranches of production. The drive for maximum effort is on and vill continue. With the low priority the State is giving to the production of consumer goods, it is doubtful whether the planned ncrease of 32 per cent in labour productivity can be realized.

Indirectly, this pressure on worker and management is undoubtedly the cause of yet another worry to industrial Ministers. There has been unevenness in plan fulfilment, and the phenomenon of 'shturmovshtina' has appeared. This signifies undue campaigning and special last-minute spurts near the close of the plan period, o make up for lost time and put in a final all-out effort. During the ast eight months there has been much official criticism on this core Last April, for instance, the Minister of Industry spoke of nexcusable unevenness in plan fulfilment in the heavy engineering ndustry. Light electro-motors were in many places produced in umbers far surpassing the plan, while heavy equipment was a ong way below the target figure. These admissions are revealing, s the published overall percentages of plan fulfilment per industry conceal internal discrepancies. In fact, plan fulfilment within he heavy engineering industry was then oscillating between 42·5 nd 205 per cent, to the detriment of heavy engineering plant. No ess significant was the statement by the Director-General of the nining industry that 3·5 per cent of the total (hard) coal output

and 2·4 per cent of lignite production in 1949 had to be obta by overtime, holiday, and Sunday work.

High absenteeism and labour fluctuation are difficulties w Czechoslovak industry has had in common with other count In Slovakia, absenteeism in 1949 had fully doubled as agains 1947 figure. In Slovakia's building industry alone over 1,50c work hours were lost last year as a result of workers abser themselves from their jobs during working hours to settle pr affairs such as wages problems or national insurance mat Early in January the Labour Minister disclosed that in 811,000 workers had changed their jobs in the Czech Lands corresponding figure for the first half of 1949 was 365,000. ' meant that in one year nearly every third worker had change job.

One of the measures to reduce this undesirably high fluctu and absenteeism is the new Holidays Bill for 1950. The lengt paid holidays is not changed from the original period of f two to four weeks, with one extra week for miners. The qua ing period for leave, however, is now eleven months in the s job, as against the previous nine months. Moreover, two days be deducted from the annual leave of the current year for each of absence without serious cause. Hitherto the deduction unjustified absenteeism was one day only.

Although great efforts are being made to provide adequate t nical training for new labour, it is more than likely that the fur output drive is being carried through at the expense of the he and safety of many workers. During the first six months of ' alone accidents cost the country 2,200,000 work days, and financial loss per annum, from the combined causes of accid and occupational disease, has been assessed by the Ministe Labour at Kcs. 4,000 million (approximately £28 million) many factories special works safety commissions have been set and safety personnel is to be trained rapidly. When suffic numbers of trained men are available, responsibility for the er problem is to be transferred from the State to the TU repre tatives at factory level. Progress in this field still fails to satisfy Government. At the end of June 1950 Premier Zapotocky war the Central TU Council that the country was taking great r with the health of the industrial workers. The accident rate rising. The reason, he said, was the neglect by workers and m agements of the most elementary safety precautions. He e

dmitted that experts had told him that the duty and wish to fulfil he prescribed output plans within the set schedule prevented the arrying out of timely and necessary repairs to machinery. The remier, however, rejected this as a 'most outrageous lie and onsense'.

On the incentives side there is a State holiday scheme. The Government is using the workers' holiday scheme as a well lanned incentive on clearly defined principles. Since the new concept is that the chief purpose of recreation is to enhance a man's orking capacity, for the time being only the most efficient shockvorkers will benefit. Some 250,000 workers are to enjoy a Stateponsored holiday in 1950. Much publicity has been given to vinter holidays in the mountains. They count, of course, as part f annual leave.

THE TRADE UNIONS; YOUTH; INTELLIGENTSIA

The Party is thus finding quite a few difficulties in industria elations, which it has been attempting to master by the twin eapons of incentives and pressure. The leaders never mince ords when it comes to exercising criticism from above. Deficienies in the execution of the Party's 'general line' have been merciessly exposed. The Communists have, however, shown untiring nergy and ruthless vigour in their efforts to learn from their aults. As in most other Communist countries, the emphasis in zechoslovakia now is on sweet reason and persuasion, coupled ith the tempting promise of ever more material advantages to nlist mass support. Time and again the Party members are eminded of the importance of the Communists' leading role in dustry, but they are warned just as often against using dictatorial ethods and tyranny, especially towards the Trade Unions. Vithout the active support of the Trade Unions, which number ome 3 million, the Five-Year Plan simply cannot succeed. To oster the impression that the Trade Unions are not a State rganization (though they are, of course, the Government's chief nstrument in the industrial drive), no member of the Government now allowed to occupy a leading position in the Trade Union ovement. In pursuance of this self-imposed rule, Premier Zapocky resigned his chairmanship of the Central T.U. Council at the nd of June 1950 and the Labour Minister gave up his post as ecretary-General of the T.U. movement. This is only a formality, ut it is noteworthy that, after years of experimenting in the dual

position of Trade Union leaders and Cabinet Ministers, this should have been found necessary.

In the recent elections of tens of thousands of new Trade Ui officials to the factory works councils—which are now the T.U. authority in industrial establishments—the 'official' ca dates secured an overwhelming majority. The works councils have to supervise and organize plan fulfilment, and use the w apparatus of State propaganda to convince the workers of the r for 'stiffer' norms and higher output. They have ceased 'merel represent the workers', as the Party press has put it. The wor factory trustees of the Party, in charge of 'ten-men groups vital, and the Communists have admitted that without these gr leaders they could not be masters in the factories.

The greatest hope of the Party lies naturally in the yo generation. To the young, abounding opportunities and pres are offered. No effort is spared to mould their minds. The l Party instructors are being sent to youth training establishme and, with over a million youngsters in the Youth League, the Pa has greatly tightened its organizational grip over vast numbers potential and budding admirers of the Communist way of l The important role of young people in the country's affairs is a apparent in the Trade Unions, where two-thirds of all officials said to be under forty.

For complete success in its ambitious industrial schemes Party will need thousands of devoted adherents among the te nically skilled workers and the 'intelligentsia'. At the moment it far too little support from these sections, and it has not yet b able to train enough members of its own 'intelligentsia'. Hence repeated wooing of the 'brainworkers' and 'experts' of the ol generation by the Party leaders. The policy of luring shockwork in every branch by material advantages, higher pay, preferen housing and rations, priority allocation of motor vehicles, holida loyalty bonuses for miners, and lavish press and radio publicity now been going on for many months. What else but a materiali attitude can the Communist leaders expect from the average wor as a result of this approach? Yet only in June a much-publici shockworker told the Czechoslovak Youth Congress that th was far too much 'bonus hunting', and that workers were trying work as slowly as possible to prevent their norms from be raised. Indeed, he admitted that many Communists were call the norm-'stiffening' unpopular, and spoke of 'stagnation' of

;ialist emulation drive. If these widespread views were un-ınded, the Party would hardly find it necessary to insist on the ɔointment of special propaganda officers for every ten-men group factory and village.

That the rulers by no means intend to rely on the goodwill d voluntary co-operation of the masses is clear from far-reaching ministrative arrangements. The Local National Committees w have thousands of new officers with considerable power. The nister of the Interior has told Parliament that the work of the lice would be further 'improved' for their struggle against ɔionage, diversion, sabotage, and all disturbance of socialist onstruction in industry and agriculture. How many possible ences are covered by this elastic terminology can be seen from e new Penal Code, in force since 1 August 1950.

It would be rash to conclude from the manifold difficulties countered that the ruthless Party machine will fail to refashion ce-democratic Czechoslovakia. President Gottwald was very nfident when he said. 'What we find difficult to-day and what pears difficult to the masses will seem a matter of course to-ɔrrow.' And he boasted· 'We know what we want and we have ong nerves.' Will the establishment of socialism, on the Soviet ttern, require the sacrifice of two generations, as Lenin once edicted? The immediate prospect for the Czech worker is clear ly in one direction: there will be ever harder work and a sad cline of all remaining liberty. The Communists will never ccceed in totally eradicating the deep-rooted tradition and instinct freedom, but they may well succeed in getting acquiescence m a people welded together by a seemingly inescapable destiny.

P B

Soviet Radio Propaganda on the Far East

To describe Moscow radio propaganda on the Far East with(more than a few lines on Korea—which is all that this arti attempts—may seem somewhat odd at the present time, but to so may serve to demonstrate how the Soviet Government l manoeuvred throughout the past year to make it appear to audiences at home and abroad that the United States, Britain, a other countries associated with them had for many years been villains of the piece not only in Korea but throughout the E

From the very beginning of the Soviet regime its leaders h seen in the march of events in Asia the decay of imperialism. 1923 Lenin declared, as the Soviet radio is always reminding listeners, that the final victory of Socialism was ensured by fact that the U.S.S.R., India, China, and the other Eastern cou tries comprised the vast majority of the world's population. It of course assumed that decaying imperialism must necessarily succeeded by socialism, and to Soviet eyes it appears that hist(since 1945 has fully confirmed Lenin's claim to political genius a foresight.

It may be that some members of the Politburo itself realize t the rise of various non-Communist political systems in the l East is seriously out of line with Lenin's forecast—but that i matter for speculation. What is certain is that the broad gene view expressed in Moscow broadcasts is a reflection of the mir that control the Soviet Government. It is, of course, only reflection, and there may be distortions and some dark places in mirror; but *Mein Kampf* itself was not more explicit ab(Hitler's world view than Moscow radio is about the Soviet vi(What it says about the Far East is, moreover, intimately rela to everything else which it says about world affairs. Nothi could illustrate this better than the Soviet attitude to events China.

At first the Soviet radio was cautious about reporting the ext(of the Communist victories in China, and it clearly underestima the chances of Mao's success. The victories were announced, not they occurred, but after considerable intervals, and it was only af the fall of Shanghai that the Soviet radio first became rea enthusiastic about the achievements of the Chinese Communis

he proclamation of the Chinese People's Republic, and its
iplomatic recognition by the Soviet Union and the other People's
epublics, were publicized immediately and widely. Throughout
e protracted negotiations with Mao Tse-tung which ended in the
hinese-Soviet Treaty, China was never long away from the spot-
ghts of the press and radio. The Treaty itself received enormous
aise, but the possible dangers of examining its terms too closely
ere carefully avoided. Such internal difficulties as the famine in
orth China, admitted in Peking broadcasts, were ignored by
oscow radio.

In the first place the Chinese alliance was represented by Mos-
w as a great victory for the camp of democracy and peace and
a correspondingly great defeat for the imperialist camp, led
the United States and Britain. This 'two camps' theme had
en a standard product of Soviet propaganda on other matters
r many months. It was now accompanied by many jeers at Mr
cheson and his predecessors for having lost 6,000 million dollars
rough supporting Chiang Kai-shek. It was claimed that the
ommunist victory itself had been made possible only by the
viet victories over Germany and Japan. Radio silence was, of
urse, observed upon the military aid given by the Americans to
iang Kai-shek when he was fighting the Japanese. His Govern-
ent was spoken of, not as that of a war-time ally, but as a puppet
U.S. imperialism, and his defeat was said to mark 'the beginning
the end of imperialism everywhere'.

To heighten the propaganda effect of the Chinese victory it was
eged that much confusion and dissension had been caused in the
nperialist camp', particularly between the U.S.A. and Britain,
er the question of the diplomatic recognition of the Chinese
ommunists. By recognizing the Communists, Britain, unlike the
S.A., had 'acknowledged her defeat' and was 'seeking to salvage
r trade interests'. At the same time Britain was denounced as
pocritical for not immediately voting for the expulsion of the
uomintang representatives from the United Nations.

Soviet propagandists are also careful to attribute the Chinese
ctory to the Communist Party, despite the fact that Mao's suc-
ss was largely due to his having ignored Stalin's early advice
en in the 'twenties.[1] There is no Moscow build-up for Mao
e-tung, any more than there is for Gottwald or Bierut. For
ample, Dr Avarin, a leading Soviet expert on the Far East, con-

[1] See "The Chinese Revolution", in *The World Today*, June 1950.

tributed a talk in the Moscow home service which went as folk

'Comrade Stalin stated in 1927 that the liberation movemer China could only achieve victory if the working class, led by Communist Party, became its head, with its own programme policy. Since then the Party has fought all ultra-Left and p bourgeois Right-wing deviations in its ranks and cured itself o adventurer and profit-seeking elements, thus becoming a mendous force. The Chinese Communist Party has, movec never neglected the peasants. It has been loyal to the ideas of L and Stalin and skilfully applied in practice the revolutio theories of Marxism-Leninism in Chinese conditions, thus se ing the leadership of the proletariat. Lenin pointed out that, a the October Revolution, revolutionary movements among Eas peoples could be successfully developed only in close contact the revolutionary struggle of the U.S.S R. against internati imperialism.'

Dr Avarin's views are by no means exceptional. All Sc speakers on the Far East make very high claims for the Chi People's Republic, which, they declare, is an inspiration tc those other peoples throughout the world who are seeking to li ate themselves from imperialist Powers. In other words, C munism claims to be a more sympathetic and less self-seel champion of nationalism in Asia than the 'decaying imperiali In replying to Mr Acheson's speeches in California last sp another Soviet Far Eastern expert, Academician Evgeni Zhu showed himself a little sensitive about Mr Acheson's declara of American friendship for the peoples of Asia. Zhukov said one listens to Acheson, it transpires that national independenc Asia has been achieved in such countries as the Philippi Pakistan, India, Ceylon, Southern Korea, and Indonesia! As China, he says that the same popular urges led to a different re China, according to him, has not gained national independen it has lagged behind the Philippines and Southern Korea Acheson's logic gives him away completely as an enemy of democratic popular movements in Asia.'

What then has been the Soviet view of recent events in these countries mentioned by Zhukov, which form a group in that t have all recently achieved varying degrees of independence f Western Powers?

When in December 1948 the Netherlands Government se by force of arms areas under the control of the Indonesian Rep

lic, Moscow radio gave the greatest prominence to all news tending to show that this act had caused great indignation throughout the world. For a brief moment Moscow even hoped that the Delhi Conference called soon afterwards by Premier Nehru would rally the nations of Asia against those of the West. When it was found that no such plan was in view, but rather that all Governments present were concerned at the spread of Communism, bitter personal attacks were made upon Nehru, and his supporters were described as national bourgeois who had done a deal with the British at the expense of the Indian people. The independence granted to India in 1947 was described as 'fictitious', and this has been the line taken ever since. The proclamation of the Indian Republic was first ignored by Moscow radio, and later used as an occasion for repeating the charge that, as the new Republic was still a member of the British Commonwealth, its independence was obviously unreal. British and American domination, it was said, continued, and was responsible for fomenting the Hindu-Moslem troubles. Earlier it had been said that the British Secret Service was responsible for murdering Gandhi.

While Premier Hatta was at the Round Table Conference at The Hague, Moscow constantly said that he represented nobody but himself, and that the whole Indonesian people were opposed to his policy of compromise, an assertion repeated right up to the eve of Soviet diplomatic recognition of the United States of Indonesia.

The new constitution of Ceylon has similarly been represented as a mere façade behind which British commercial exploitation continues with the same cruelty as before. Against Pakistan the main charge is that para-Communist organizations like the Pakistan-Soviet Friendship Society are too severely restricted. 'Police Terror' is a common headline for numerous Tass messages from Pakistan and India, and there are occasional references to a quite undefined national liberation movement in India led by the Indian Communist Party.

In the Philippines much is made of the Hukbalahap guerrilla organization. The Government of President Quirino, 'a puppet of the State Department', is said to be so incapable of dealing with the guerrillas that it is on the verge of collapse.

In Southern Korea, right up to the invasion, Syngman Rhee was constantly attacked as a collaborator who had aided first the Japanese and then the Americans to ruin the country. In addition, the vast majority of the population south of the 38th parallel was

represented as eager to unite with their free and independe patriots to the north.

Indo-China, Malaya, Siam, and Burma form another gr purposes of Soviet propaganda. Siam is scarcely ever men and little notice has been taken of Burma, though the Briti been accused of fomenting trouble between the Burmese Karens and of supplying arms to both sides. In Malaya a national movement is depicted struggling against 'cru ruthless' operations by the British troops. The British C. Maj.-Gen. Boucher, has been called a Gauleiter, and the been highly-coloured stories of his use of Dyaks armed wit and poisoned arrows.

In Indo-China, Bao Dai has, of course, come under heav he was 'picked up out of the night clubs of Cannes', is 'a puppet' and 'a second Chiang Kai-shek'. The French are of having retrained and employed the remnants of Kuon armies and of recruiting Germans, Poles, and Italians for se Indo-China. The Soviet radio devotes considerable time t licizing the achievements of the Ho Chi Minh Governme records them in exactly the same dull and nearly mean terms of percentage increases in industrial production, perc decreases in illiteracy, and so on, as those used in dealin Eastern European satellites. On the whole, Soviet speakers corner of South-East Asia appear to show a striking lack local knowledge, and almost completely ignore the fact tha are large racial minorities in most of the countries concern

One propaganda device used to enhance the national pre these liberation movements is to maintain complete silence the whole of the campaigns waged by Britain and the against the Japanese during the years 1941 to 1945. It wo impossible after listening to the Soviet radio to believe t Japanese collapsed for any other reason than that the Ja Army was defeated by the Soviet Army in Manchuria. One speaker actually said that the peoples of the Philippines, M Indonesia, Indo-China, and Burma had already freed them from the Japanese by their own efforts before the Briti Americans landed to restore the old colonial regime!

Almost the only sympathetic interest publicly shown U.S.S.R. in Asian religious movements is that now taken Buddhism of Tibet. The Dalai Lama is portrayed as the pu monks and feudal barons, while the Panchen Lama is repre

s being on Tibetan soil and ready to welcome the Chinese Comıunist Army and rally the people of Tibet into the family of ations governed by the Communist Republic of China. A recent ropaganda line to Japan shows typical Soviet insensitiveness to eligious or psychological susceptibilities—the demand that the mperor should be tried as a war criminal guilty of experiments on uman beings with weapons of bacteriological warfare. This line is nked with thorough-going abuse of the occupation forces and of General MacArthur, who is accused of protecting the Emperor nd wishing to use war criminals in the third world war which he is reparing. The Soviet campaign even goes so far as to hold Iirohito up to ridicule as an amateur scientist who loves to study elly-fish. Since the vast majority of Japanese still seem to have a rofound reverence and respect for the Emperor, their campaign vould appear to damage the prospects of the Communist Party n Japan, which was itself compelled in 1947 and 1948 to moderate ts demand for the abolition of the 'Tenno System' owing to the omplete absence of public support.

Japan and General MacArthur are not alone in the Soviet icture of an Asia in which unwilling peoples are involved by their uppet Governments in war preparations by the U.S.A., Britain, nd the Powers associated with them. India, the Philippines, and ndonesia are also grouped in this category, and right down to the ve of the invasion of Southern Korea, and even after it, a crescenlo of broadcasts contrasted the Soviet campaign for peace with the var-like designs of the West. Innumerable Tass reports from all arts of Asia described the work of collecting signatures to the 'eace Appeal of the Stockholm Congress held in the spring of 1950.

This peace campaign has a number of very big advantages from he Soviet point of view. First, it has a world-wide appeal affecting nany who are not Communists. Secondly, it combines well with ome plausible abuse of America, where for political and strategic easons defence preparations cannot be carried out entirely in ecret. Thirdly, it is linked with propaganda on economic affairs— or example, the suggestion that all the non-Communist Powers vould be much better off if they stopped taxing themselves to naintain armed forces. It is quite certain that the most eminent ersonages in the Kremlin think very highly of the potential force f this peace campaign. Take, for example, Malenkov, who was hosen last year to deliver the most widely broadcast speech in the vhole Soviet calendar, that made on the anniversary of the October

Revolution. Versions of this speech were put out in all the hom service and foreign language services of Moscow radio. He saic

'History knows no such mass movement as that embodied in th international camp of the Partisans of Peace. There is not a sing country where this movement has not its headquarters and is n growing in breadth and depth. As is known, the World Congre of the Partisans of Peace was held in April this year in Paris an Prague. Some 561 national organizations and twelve internation associations took part in this movement for peace against the thre of a new war. Altogether 600 million organized Partisans of Peac were represented. Their forces are being rallied not only o national levels but also on the international scale. In that sense would be difficult to over-estimate the role played by the activiti of such peace-supporting organizations as the W.F.T.U, whic embraces 70 million workers; the International Federation Democratic Women, with 80 million members; the World Feder tion of Democratic Youth, with 60 million members; and th International Union of Students, with organizations in fifty-fou countries.'

To give one example of the activity Malenkov was describin one need only mention the Communist campaign in Franc against 'the dirty war' in Indo-China, a classic example of th practical effect of the world peace movement when it is harnesse to Communist effort in the Far East. This campaign was ap proved at the W.F.T.U. meeting in Peking in November 194 Now, money is being collected in Indo-China to be sent back t the aid of French strikers.

To stimulate the peace campaign every kind of accusation i made against the U.S. Government. Here is a typical exampl taken again from the mouth of Malenkov: 'What is the differenc between the mad plan to Americanize all countries and all con tinents and the mad plan of Hitler and Goering to Germanize firs Europe and then the whole world? What is the difference betwee this programme and the no less mad plans of Tanaka and Toj to subjugate all Asia and the Pacific to the Japanese imperialist In fact the only difference is that the aggressive programme of th new warmongers surpasses the plans of their German and Japanes predecessors taken together.' It is, in fact, an article of faith wit the Soviet leaders, often reiterated in their broadcasts, that terrible economic crisis is in store for the capitalist world, and tha the capitalist world, led and organized by the U.S.A., will seek t

vert that crisis by deliberately provoking the third world war of
hich the Soviet radio now constantly speaks.

This economic crisis, however, though regarded as certain to rise very soon, is not an incontrovertible fact like the rise of the :hinese People's Republic. Compared with this event, nothing in ost-war history has equal fascination for Soviet thinkers. To iem, moreover, it is the fulfilment of a prediction, a prediction iade by the use of an infallible historical theory. In the eyes of oviet commentators, the fall of Peking was not just one more icident of contemporary history, but, like the fall of the apple to saac Newton, a manifestation of the immutable law of the uni- erse. To grasp the vast and mounting scale of the conception hich underlies Soviet propaganda on Far Eastern affairs one iould recall Lenin's words: 'The road to Paris lies via Peking id Calcutta'.

S. D. U.

The Situation in Austria

The Peace Treaty and Internal Politics

OREA may be some 5,000 miles from Vienna, but the Communist ggression there has forcefully brought home to Austrians that ieir freedom depends on the presence of the Western occupa- on forces alone, and not on their self-chosen neutrality 'between ie hostile blocks'. The ominous propaganda slogan of the Com- unist Party, 'It is only sixty kilometres to the People's Demo- acies', assumed a new and menacing meaning, and the question n everybody's lips was, 'Shall we be next?' It was only with resident Truman's announcement of aid to Southern Korea, and ie prompt action by the United Nations, that confidence re- irned. One can now assume that we have heard the last of the isistent demands for 'liberation from our liberators' and 'a peace eaty—in spite of everything!'

TREATY DRAFT IN COLD STORAGE

For there is not going to be a peace treaty—yet. Oddly enough, is entirely due to Russian intransigence that there are still some

20,000 Western troops in the country, as against some 40,(Russian troops round Vienna. The evacuation of Austria by Powers would undoubtedly have benefited the Russians more tl the West, but for reasons of their own they decided to stay on, tl making any revolutionary policy impossible unless they w willing to start a war. The fault for this situation certainly not lie with the Western Powers, who granted the Russians mos their demands, and were, indeed, so yielding that the Russi were driven to invent the most fantastic pretexts for not going with the drafting of the treaty, although the Council of Fore Ministers, meeting in Paris in June, had instructed their Depu to present a complete draft by 1 September.

The Russian delegate, Zarubin, had promised that once Art 35 was agreed upon, and Russia's claim to German prope recognized, there would be no insuperable difficulties in reach agreement on the remaining five articles of the Draft. A compro ise solution was found on the question of Russia's claims, but proceeding to Article 42, dealing with the property of Uni Nations nationals, the Russian delegate demanded, and obtain the deletion of one clause on which the West had insisted. I instead of agreeing to the compromise article he then asked the acceptance of it in the Russian version. When the West deputies at last consented even to this, he informed them that could not give final approval to any of the open articles u negotiations between the Russian and Austrian Governments Russian claims for payment for relief rendered in 1945 w satisfactorily concluded. This was the state of affairs when conference adjourned on 14 December last, after the 24 meeting of the Foreign Ministers' Deputies since January 1 when the treaty talks commenced.

According to an American statement, direct negotiations tween Moscow and Vienna had been proceeding since Aug 1949, and the sum involved was estimated to be between 44 100 million Schilling, recently increased by the Russians a result of the revaluation of the Schilling in relation to the dol To the Austrians these new demands added insult to injury. W the collapse of the Nazi system and the occupation of East Austria by the Russian Army, Vienna and its industrial envir were cut off from all supplies, and the population faced starvati They turned to the Russians for aid, and the latter gracio announced, for May Day 1945, a 'Stalin Gift' to the starv

›ople, for which a public meeting of thanksgiving was held in ɔnt of the Town Hall. The 'Stalin Gift' consisted largely of quisitioned supplies: meat from requisitioned animals, wheat ken from the peasants, and, above all, pulse, pulse in enormous ıantities, found in the former Wehrmacht stores. It is for these ,rbsenschulden', and for some rebuilding of bridges—also lebrated at the time as 'Gifts of the Soviet Army to the people of ıstria'—that Austria is now presented with a bill of unknown mensions.

When the Deputies met again on 9 January Zarubin had no :ws, except that, following a wholly unsatisfactory Austrian offer, ıancellor Figl had now made new and better proposals, but the :gotiations were still proceeding. When asked by the British legate whether the Russians were really serious about the gotiations in Vienna, Zarubin took this question as an insult, d the meeting adjourned for several days. But on the 13th ırubin still had nothing to report, so the Western Deputies nounced that they were going to consult their Governments as whether there was any point in continuing these fruitless meetgs. A joint démarche of the three Western Ambassadors in oscow was equally unsuccessful, with Gromyko refusing to eed up the negotiations with Vienna, or even to forecast a likely ıte by which they might be concluded. When the Deputies met ain on 24 January they expressed the hope that there would be sults by 15 February, the date of their next meeting. In the eantime, however, the U.S. Department of State had issued a yptic declaration according to which it was considering 'steps to store the freedom and independence of Austria'. This statement used great consternation in Austria: were the Western Powers nsidering a separate treaty which would, at best, be ignored by e Russians and, at the worst, lead to the splitting of Austria? Paris it was said that in view of Russian obstruction the Western ›wers might withdraw all their previous concessions, and that ›ndon was considering ways in which the burden of the occupaın could be lightened still further. Zarubin alone was unconrned: he could see no reason why the Deputies should not disss several of the disputed articles in the meantime.

The date of the next Deputies' meeting was 15 February. here had been no development whatever in the 'negotiations' :tween Vienna and Moscow, simply because Russia had still not plied to the Austrian proposals of 5 December; but a Western

suggestion to postpone the meeting till 1 March had been reject by Zarubin. They met, argued about the responsibility for th failure to agree, and adjourned for a fortnight. This procedure v repeated on 1 March at their 251st meeting, when Zarubin s had no news, and 26 April was fixed as the date of the next me ing. It is not difficult to see why the Russian delegate, while p venting any real progress, was so keen on continuing the 'd cussions'. In reply to an Austrian note of 10 February complaini of his delaying tactics, the Soviet Foreign Ministry stated 27 February that Zarubin 'repeatedly offered to discuss t articles of the draft treaty not yet agreed upon.' But the excuse the 'Erbsenschulden' was beginning to wear thin, and so 26 April Zarubin produced another red herring—denazificati The tactics of the Western Deputies 'confirmed the correctness press reports to the effect that the Anglo-American imperialists . encourage the activity of the Fascist elements in the countr Pressed to say whether he had any statement to make on Arti 48B, Zarubin refused to answer, and the meeting adjourned ur 22 May. Yet on 2 May he suddenly proposed a meeting for the 4 but when the Deputies met to hear of the settlement, they w again treated to accusations about their failure to denazi and to a lecture following the lines of the Soviet Note on Tries

At the time of writing this is still the Russian line: so long as t 'violations' of the Trieste provisions of the Italian Treaty contir there can be no guarantee that the Western Powers would n similarly violate the Austrian Treaty. And as the thorny questi of Trieste is not likely to be solved in the near future, this pret will presumably do service for quite some time. A further series abortive meetings in May was followed by one on 10 July, t 256th, which was similarly barren of results except in so far as threw a significant light on the importance the Russians themsel attached to the issue of the relief debts: the American Deleg proposed the acceptance of Zarubin's own draft of Article 4 to remove at least this obstacle, but its author refused to agr

This is where the matter rests at present, with another usel meeting on 7 September added to Zarubin's tally. Subject to t Soviet Government's approval the Deputies are to meet again mid-December, but the date would no doubt be advanced if t Russians showed any willingness to drop the Trieste issue a conclude an agreement with Vienna on the post-war relief det It is, of course, possible to argue, as the *Manchester Guard*

ıas done, that the Western Powers should think twice before oncluding a treaty and evacuating Austria, with the example ıf Korea before their eyes; but a Foreign Office spokesman epudiated this view and reaffirmed Britain's—and the other 'owers'—desire for a peace treaty. Undoubtedly this is the orrect line, but there may be doubts as to its wisdom. Fortuıately, it appears, the issue is not going to be put to the test.

OCCUPATION POLICY, EAST AND WEST

If the Western Powers cannot restore Austria's freedom and ndependence, they can at least make their presence as unıbjectionable as possible. As early as 7 March the Austrian Government addressed an appeal to the Powers to reduce their orces and to liberalize the occupation regime.

The precise terms of the Note have not been published, and it s not known whether the Austrians would really like to see a ınilateral reduction in the Western Powers' military strength, which is estimated at 10,000 U.S., 8,500 British, and over 6,000 French troops, as compared with some 44,000 Soviet troops. As ar as the American forces are concerned, they are entirely mainained at U.S. expense—'paying guests', in fact—and for the past hree years there has been in process a steady concentration of ersonnel and a limitation of occupation rule in all the Western ones, thus handing back to the Austrians more and more requisiioned buildings and granting them greater freedom, especially in he delicate question of the jurisdiction of Allied military courts ver Austrian nationals. Only the Soviets have continued to mainain their vigorous rule, and, not surprisingly, they turned down he Austrian request unconditionally.

As a result of discussions between Mr Acheson, M. Schuman, nd Mr Bevin it was possible on 20 May to announce the first reat concession: the appointment of civilian High Commissioners n place of the former dual representation through Ministers and nilitary High Commissioners. The present Ministers will take ver the work hitherto done by the latter, and their troops will no onger have occupation duties, though they will still have garrison nd security tasks. This alone was quite a considerable saving of xpense, apart from the significance of the gesture. As was to be xpected, the invitation to Russia to do likewise fell on deaf ears. On 11 July the British Government issued its reply to the Austrian Note, in which the several important concessions already made by

the Western Powers were listed, especially their decision not take German assets in Western Austria or to claim payment f relief supplies. If, however, the Note continued, occupation forc should have to remain as a result of Soviet intransigence, 'tl British Government intend to place their relations with tl Austrian Government so far as possible on a normal footin

While the question of occupation costs was still under revie it had been decided 'to amalgamate the civilian staff of the Briti Element of the Allied Commission with the staff of H.M. Leg tion . . . in order to effect serious economies of personnel'—and living space, houses, and schools, which are desperately neede Austrian police were empowered to arrest British troops caught the act of committing a crime or a breach of the peace, whi British authorities were under orders to arrest Austrians only the same circumstances and not for any other reasons. On tl other hand, it was found impossible to abolish British milita courts, however little use was made of them, as cases might ari when the security of the British Occupation Force was en dangered. All British traffic control posts on the zonal boundari had been abolished since February 1949, there was no censorsh in the British zone, and the British Element was prepared examine any scheme for the freeing of the Austrian broadcasti system from Allied censorship. As similarly liberal regimes pr vail in the U.S. and French zones, and as all three Powers keep relinquishing controls in favour of Austrian self-government, all practical purposes life in the Western zones can be said approximate to the normality of a sovereign State.

It is otherwise in the Russian zone, and in all those respec where the Soviet veto on the Allied Council for Austria can ho up improvements. The notorious insecurity of life and proper in the Russian zone is due to the Soviet refusal to consent to tl arming of frontier guards. As a result, smuggling between tl zone and Czechoslovakia and Hungary is rife, and the gangste who often operate with Russian permission can kill and wour Austrian officials with impunity. Nor will the Russians grant tl Austrian police the right of self-defence against Allied soldiers with the result that crimes have been committed by non-Russia in uniforms stolen or bought from Soviet soldiers. The Russi High Commissioner will not admit the right of the Weste Powers to concern themselves with security questions in his zon and in any case he categorically refuses 'to hand over arms

former Nazis to be used against the occupation forces'. His allegation that there are 3,600 Nazis and 7,500 former German officials serving in the Austrian police and gendarmerie may well be true, seeing that most public employees had to be party members if they wanted to keep their jobs; but it is on this issue that the most vehement propaganda campaign has been unleashed in the Russian press, dutifully echoed in the Cominform countries.

On 29 March the Red Army paper *Krasnaya Zvesda* alleged that the Austrian police and gendarmerie were a militarized force of 31,000, composed of three battalions of motorized infantry and some light armour; that an Austrian Air Force was being established with American help under the guise of civilian airlines; and that American and former German officers were instructing the armed police in twenty training centres, while war-industries and air-fields were being re-established. It is, of course, true that the Austrian gendarmerie is a highly efficient and mobile force, equipped with some heavy automatic weapons, though not possessing any armour: a state of affairs which is only anticipating the peace treaty, under which Austria will be permitted a small army and air force. Other accusations were even more fabulous: underground arms dumps, recruitment of D.P.s into military formations, and the building of fortifications and new airfields—in the Tyrol, of all places, where thousands of foreign tourists are in a position to discover how unfounded these allegations are.

Their purpose is obvious; they serve to justify not only Soviet obstructionism in the treaty talks, but also the militarization of the 'factory guards', Communist formations recruited from Russian-controlled enterprises in the Soviet zone, who are reported to hold field exercises fully armed. And so it goes on: Russian-nominated police officials cannot be removed by the Austrian Government, but the Russians sack officials enjoying the confidence of their superiors; the Soviets refuse to abolish the traffic controls on their zone boundaries and the censorship which employs some 2,000 persons and is costing the Austrian State 11 million Schilling per annum; even telephone conversations between Vorarlberg, Austria's westernmost province which borders on Switzerland, and its neighbour must be circulated via Vienna. In the capital, between 45,000 and 50,000 letters and postcards pass through the censorship every day; it is a quadripartite institution so as not to leave the Russians in sole control. The last official report available gives the following figures: between 1 and 22 October 1949,

3,740 letters had passages removed which dealt with condition the 'People's Democracies', and 911 letters were censored for t anti-Allied contents—900 of them anti-Russian. Eight hun and six letters were destroyed altogether, 375 for their a Russian tenor, and 434 for insults to the 'People's Democrac

One of the most irksome consequences of the Allied occupa is the control of the broadcasting system by Russia, Britain, the U.S.A. Ravag-Vienna offers a diet of innumerable 'Rus Hours', Russian composers, Russian 'culture', and crude C munist propaganda in its news bulletins, while the Western lir put forward moderately and discreetly from the other stations if the existing barrage were not enough, a new transmitter be broadcasting on 15 March which is the most powerful in country destined for an Austrian audience; it had to be m available by the Government on Russian orders, although ur the control agreement such orders were to be valid only if iss jointly by the four Powers. It is significant that the Russian H Commissioner at first attempted to deny in the Allied Cou that he had given any such orders, but when confronted v Chancellor Figl's statement he professed ignorance of the or It is no less significant, however, that the Austrian Governn carried it out in spite of its illegality, just as they are genei weak-kneed about the Russian domination of the radio even to point of welcoming the new transmitter, the reason appare being that they prefer that certain parts of Eastern Austria of range of the old station should be served by a Russian-contrc station rather than by Czech or Hungarian stations. At the s time, the Russians appear to reign supreme in the Ravag, bro casting slanderous statements about the Government in t 'Russian Hours' and censoring the talks of members of Government.

AGENTS, 'NEO-NAZIS', AND POLITICIANS

It is futile to complain that Austrians are getting used to state of affairs. True, it has already lasted five years, and its er not yet in sight. But it is poetic licence to speak of the creatio new vested interests that favour the continuance of the Rus occupation, for, apart from shady business men and gangsters, only the Communist Party which is vitally interested in the p ence of their Russian masters and benefactors. Nothing has l pened to increase their following since last October, when

General Election confirmed them in the position of Austria's smallest party. On the contrary, while in the Russian zone they just managed to lose no more than a thousand of their 40,000 votes in the spring elections to the Lower Austrian Diet, in Carinthia they lost over 27 per cent of their voters between October and March. And since then the events in Korea have undoubtedly undermined their position still further, particularly among their intellectual and professional followers and fellow-travellers. As everywhere else, their whole propaganda apparatus has been working overtime to 'popularize the decisions of the Stockholm Peace Congress' and collect signatures for the petition to ban the atomic bomb, of which they claim to have received about 700,000. Their 'Peace Council' is presided over by an evangelical pastor of Russian-German origin, and it has attracted a number of honest, liberal-minded people, political innocents but well-known public figures. Two of them, the famous physicist Professor Thirring and the well-known writer Sacher-Masoch, have had their eyes opened by the cynical applause given to the Korean war by their Communist 'peace-comrades', and Professor Wildgans, son of the famous poet and a prominent composer, left the Communist Party in disgust.

But it is not only among the liberal bourgeoisie that the Communists angle for support. At the other end of the scale Nazi militarists, soldiers of fortune who are willing to offer their services to whoever will employ them, have found a promising field for their enterprise in the Russian zone. While the alleged revival of Nazism in the Western zones is the pretext for Russian obstruction in the treaty talks, and the Soviet High Commissioner has seriously suggested in the Allied Council that the Austrian Government be asked to open detention camps for former Nazis, an *SS-Obersturmführer*, Dr Slavik, is encouraged to gather in his 'Nationale Liga' all such Nazis as are willing to try their luck with the Communists for a change, and his literature bears the imprint of the Communist Party publishing house.

Among his more notable recruits Dr Slavik can count some ex-leaders of the V.D.U.—the neo-Nazi 'Association of Independents'—in Lower Austria, expelled by that party on account of their close contacts with the Soviet authorities. It will be remembered that the general elections of October 1949[1] saw the end

[1] See "Austria: The End of Liberation?", in *The World Today*, November 1949.

of the monopoly of the three parties which were recognized by Allies after the liberation, and, in addition to Conservati Socialists, and Communists, this 'Association of Independen known as the V.D.U., was admitted, representing former Nazis well as anti-clerical and liberal bourgeois and peasants. It was instantaneous success. By obtaining nearly 500,000 votes (11.7 cent of the total vote) and 16 seats in Parliament the V.D.U. came the third party in the country, outdistancing the Commun with their 5 per cent and 5 seats, and, incidentally, depriving Catholic People's Party of their majority in the House. Tod barely twelve months later, little is left of the party's brief glo One of its Deputies has left the party, and numerous city county councillors have resigned from it if they were not expel or arrested for criminal or political offences. It has lost its p vincial executive committees in at least three provinces, a another one was dissolved and the organization disbanded Styria; its daily paper ceased publication recently, and more a more of its provincial weeklies are being 'concentrated', i amalgamated. In the provincial elections last spring the V D. vote fell from 10,000 to 1,300 in Lower Austria, while in Carint 21 per cent of its adherents in the October election abstained fr voting.

The causes of this unparalleled collapse of a new political par are not without general significance. The first is that this med of extremists and opportunists, unteachable Nazis and sim malcontents, anti-clerical peasants and intellectuals, mercena and young idealists, had no philosophy to hold them toget apart from their dislike of, or hatred for, the other parties. Seco ly, like any radical movement, it promised more than it could p form, especially since its parliamentary representatives—int lectuals, journalists, professional men—tended to act and v against the same social policies which they had advocated bef the election, when these policies were later proposed by Socialists. Thirdly, and this is perhaps most important, there is such thing as the genus 'former Nazi': a certain proportion these ex-Nazis is incorrigible, but the great majority merely plays all the natural reactions of people who have experienced collapse of their political ideals, who have suffered politi ostracism and often the loss of jobs and homes, and who fin

[1] The collapse of the Uomo Qualunque Party in Italy suggests some simi ities.

ifficult to get used to a strange and hostile world. Their emotions inge from sheer cynicism to passive indifference and sometimes ven to an earnest endeavour to orientate themselves towards one the other of the democratic parties. All this is illustrated in the osts of letters of resignation from the V.D.U. that have been ublished: 'betrayal of the interests of the working class' was e reason given by Huemer, now a completely 'independent' I.P. Too much influence wielded by the extremist neo-Nazi aders caused a Viennese city councillor to resign, while personal itrigues and rivalries account for other resignations. On the other and, Kraus, the leader of the V.D.U., and Hartleb are accused by e intransigent wing of being too conciliatory to the Socialists, id the air is thick with allegations that this leader or that is cretly in touch with one or other occupation power.

But even such 'former Nazis' as have found a political asylum nder the wing of a democratic party are given to backsliding. 'he People's Party's 'Youth Front' has repeatedly been warned by ie Allies to stop its militaristic and anti-democratic publications, id an open rebellion has broken out recently against the party r not giving the younger elements a chance to assume their ghtful place in the political leadership. It is not surprising that ie leaders of the People's Party, essentially a clerical and con- rvative movement, are chary of allowing their party to be in- cted with the half-baked radicalism of their recent adherents. laving given them a *quid pro quo*—one safe seat in Parliament, id a number of seats on local councils—they consider the account osed.

For, in truth, the party which leads the Government in Austria day has far too important problems to tackle to attach over- iuch importance to a few malcontents in its ranks. The coalition ith the Socialist Party is as firm as ever, if only because Austria's ery survival is at stake, and if ever an attempt were made to push ie Socialists out of the Government, the only barrier to Com- iunist infiltration and revolutionary action would be gone and ustria might easily be lost before a shot is fired. As long as the Vestern Powers are responsible for Austria they must not allow nything to be said or done which would encourage the Heimwehr nd other radical elements within the People's Party to turn the lock back to the disastrous policies of a Dollfuss or Schuschnigg.

K. R. S.

THE WORLD TODAY

Volume VI *No.* 11 *November* 1950

*

Notes of the Month

overnment Crisis in Israel

HE immediate cause of the Israel Parliament's refusal of a vote f confidence to Premier Ben Gurion on 18 October was the withrawal of the United Religious Front from the Government oalition in a dispute over the appointment to the new post of Iinister for Economic Affairs. The deeper cause, however, was he worsening economic situation, owing to the failure of the inflow f capital to keep pace with the inflow of immigrants (nearly half a illion since Independence Day two and a half years ago). It was ecently admitted that not only was the gap widening between the nancial target and its achievement, but also the cost of the evelopment programme had been 'grossly under-estimated' Nahum Goldmann, *Zionist Review*, 22 September). Since the end f July the Government has been struggling in a quicksand: rastic rationing of clothes and footwear; dramatic appeal for a 1,000 million 'loan' from United States Jewry, with concessions esigned to attract private investors but repugnant to Israeli ocialists; full powers for Ben Gurion to grapple with an extensive lack market—which we were assured in the spring was inconiderable, even two collective settlements have been fined £2,700 or selling cereals at inflated prices. Evidently both the controlled rice-level and public morality are being severely strained.

Although Ben Gurion is reported to be obstinately opposed to reconciliation with the Religious Front, attempts are being made o repair the Government coalition and so avert a general election whose outcome would be incalculable, with so large a number of olitically inexperienced immigrants added to the register. Ben Gurion's Mapai (Labour) party, despite its high proportion of easoned politicians who graduated through the old Jewish Agency, as inevitably lost some credit through its failure to stem the conomic flood. The general mobilization for 'autumn manoeuvres'

which began on 15 October, on a scale that, according to *Times* Tel Aviv correspondent, 'has probably never been matc by any State not at war or on the verge of it', may be regar not only as a deterrent to the Arab States but as a device to cr an atmosphere of 'national solidarity'.

World Jewry has been incredibly generous over the years to National Home, even if it has not fulfilled the Zionists' somew exacting quotas; and it will probably rally again to the pres emergency. But since each successive 'shot in the arm' me keeps the patient going until he asks for another and larger d one asks how long the process can continue, for it is not a ma of a passing acute illness, but of a chronic pathological conditi The present crisis is one of too many blue prints chasing too dollars, of hard economic facts overtaking a lofty, if self-cent ideal. A drastic currency-devaluation would in itself be realis but would not materially ease the plight of an economy whose ports for current consumption (largely necessities) are running three times its total visible and invisible exports; of the t payments-requirements in 1949 77 per cent was only precario financed by foreign contributions and other capital inflows.

The Torquay Conference

On 28 September delegates from thirty-nine countries met Torquay for a conference on problems of tariffs and trade, wh is expected to go on for several months. These delegates repres the thirty-three Contracting Parties to the 'General Agreement Tariffs and Trade' (G.A.T.T.), and six additional countries wi ing to adhere to the Agreement. There will be two distinct set discussions; one, which has already started, is concerned with reduction of tariff barriers and preferences, and the other, wh is only attended by the Contracting Parties, is to begin o November and will deal with wider problems of commercial pol

G.A.T.T. originated at the second meeting of the Preparat Committee of the Conference on Trade and Employment Geneva in the summer of 1947, which had been convened to d the charter of the International Trade Organization (I.T.O.) was decided that steps should be taken immediately, pending establishment of I.T.O., to reduce tariff barriers and preferen and twenty-three countries began to negotiate mutual tariff c cessions. These negotiations resulted in 123 bilateral tariff agr ments, which were combined into twenty tariff schedules, embo

ng reductions in tariff rates, preference margins, and/or underakings not to increase existing tariffs on some 45,000 items entering international trade. At the end of the conference a 'General Agreement on Tariffs and Trade' was concluded, by which the ignatories bound themselves formally to adhere to all the conessions made in the bilateral agreements, and to accord autonatically to all the Contracting Parties any concessions agreed ipon between individual countries. The General Agreement also aid down rules on commercial relations similar to those set out in he commercial policy chapter of the Charter of the I.T.O.

G.A.T.T. was conceived as a provisional instrument to be ffective until I.T.O. was duly established. The tariff schedules vere to remain in force until 1 January 1951, by which time, it vas thought, I.T.O. would have taken over. Unfortunately I.T.O. ias so far only been ratified by three countries, and one of the bjectives of the Torquay Conference will therefore be the extenion of existing arrangements beyond January 1951.

Since the Geneva Conference of 1947 the Contracting Parties f G.A.T.T. have held four meetings, at which the operation of he Agreement has been worked out in detail, and requests for xemptions and complaints about infringements have been conidered. Tariff negotiations have taken place at only one of these neetings, that held at Annecy in 1949. On that occasion the wenty-three original Contracting Parties were joined by repreentatives of eleven more countries, including Italy, Denmark, Sweden, and Finland. The United States was a signatory of G.A.T.T. and had made substantial tariff concessions from which ny newcomers would benefit, and this was an incentive for counries to join the system. At the Annecy conference concessions vere negotiated with and among the new participants, resulting n the conclusion of 147 bilateral agreements which were embodied n the tariff schedules drawn up in Geneva, and in ten new ones.

At the Torquay Conference a third round of tariff talks will e held. There will be six newcomers, the most important of them eing Western Germany. Tariff negotiations will not only be arried on with the six prospective new members, but in view of he fact that the Geneva and Annecy tariff schedules will cease to e binding at the end of the year, the Contracting Parties will have o renegotiate them. It is hoped that all the concessions granted in he past, and any to be granted in the course of the Torquay neetings, will be extended to 1 January 1954.

It is thought unlikely that the present conference will prod many substantial concessions. The United States, under the ciprocal Trade Agreements Act, may not reduce import du below a certain figure, and for a number of important items limit has already been reached through tariff reductions agreet at Geneva and Annecy. Again, a number of countries, e.g. Scandinavian group and the members of Benelux, which had tariffs at the outset, consider that they have made all reason concessions, and that an undertaking not to increase tariffs m be considered equivalent to a concession for negotiating purpo

The accession of Western Germany to G.A.T.T., however, be of considerable benefit. Germany is one of the chief supplier chemicals, and her presence at the conference will bring into negotiations a group of products hitherto not included. Any ta reductions on chemicals granted by, for example, the Uni States to Germany, will automatically benefit all signator Germany will also be expected to offer substantial concessi since as a new member of the system she will benefit automatic from all past concessions, without having as yet granted any.

When the tariff negotiations were initiated in 1947, most co tries outside the United States relied largely on quotas and ot forms of quantitative restrictions rather than on tariffs to regu the flow of trade. With the recent freeing from such restricti of a large part of intra-European commerce, tariffs have becc of greater importance in determining the volume of trade; concessions that European countries may grant to each other henceforth help to increase trade between them, and thereby volume of world trade.

The meeting on the wider aspects of commercial policy wh begins in November is the fifth formal session of the Contract Parties of G.A.T.T. It will deal among other things with the mission of new members, notably with the possibility of admitt Japan. The question of the discriminatory dollar-saving imp restrictions imposed by the United Kingdom and Commonwe countries last year is also expected to be discussed. In view of recent improvement in the sterling area's balance of payment may be argued that there is no longer the same justification continuing to discriminate against United States products. other important problem will be the future operation of G.A.T. and its relationship with other international organizations.

South-West Africa and the Union

To PLACE the present dispute about South-West Africa in perspective, it is necessary to go back to World War I, which was fought under two slogans: 'the war to end war', and 'no annexations and no indemnities'. The war over, an attempt was made to turn these slogans into fact. The League of Nations was designed to settle international disputes without recourse to war; instead of the victor annexing the enemy's colonial territories, mandates were established. The territories were not to be the spoils of war, they were to be held in trust. General Smuts expressed the idea behind the new system of mandates in his *League of Nations, a Practical System*, published in 1918: 'The mandatory State should look upon its position as a great trust and honour, not as an office of profit or a position of private advantage for it or its nationals.' But geographical, political, historical, security, and economic circumstances differ between one territory and another, so that no form of mandate was suitable for universal application. It was found necessary to devise three different forms, called respectively A, B, and C. Roughly, these provided for the mandatory Power to function as a short-term caretaker (A), for a relatively long period of administration, to promote the advancement of the native population to the point of self-government (B); and for administration under mandate in perpetuity (C). Palestine was a case of an A mandate, with Britain in the role of unhappy caretaker; Tanganyika an example of B; while South-West Africa is a C mandate.

South-West Africa became a C rather than a B mandate because the territory lies for a considerable distance along the border of the Union, is economically and administratively in close association with the Union, and had twice, within this century, been a serious threat to the Union's security. Article 2 of the South-West African mandate reads: 'The Mandatory shall have full power of administration and legislation over the territory subject to the present mandate as an integral portion of his territory. The Mandatory shall promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory subject to the present mandate.'

Other articles of the mandate require that the slave trade be prohibited, no forced labour permitted except for essential public works, traffic in arms and ammunition be controlled, the supply of

intoxicating spirits and beverages to the natives be forbidden, a: the military training of natives, otherwise than for purposes internal police or local defence, prohibited. The Union underto to make annual reports on the territory to the Council of t League of Nations. Any modifications of the terms of the mandı had to receive the consent of the Council of the League. A dispute, as between the Union and another member of the Leagı over the interpretation or application of the provisions of t mandate should be submitted to the Permanent Court of Int national Justice.

During the life-time of the League of Nations all went more less well. The Union administered the area as an integral porti of its own territory, as it was required to do. It appointed Administrator in the same way that it appoints Administrat for the four Provinces of the Union. It set up a legislative coun with powers and responsibilities comparable with the Provinc Councils of the four Union Provinces. It submitted annual repo on the administration of the territory to the Mandates Commissi of the League. Sometimes the reports provoked criticisms by t Mandates Commission, particularly concerning the Union's ob gation to promote 'to the utmost the material and moral we being and the social progress of the inhabitants'. But at no tiı was there any dispute about the administration of the territc serious enough for the Permanent Court of International Justı to be invoked. Had the League of Nations continued to exist, h there been no World War II, with the consequent establishme of the United Nations, it is unlikely that any major crisis wou have arisen.

There were, of course, certain legal difficulties. After all, jı what is the difference between administering and legislating ov a territory as an integral portion of your own country, and annexi it outright? Questions of sovereignty and nationality arise. Gene Smuts, one of the architects of the mandate system, addr sing an audience of German inhabitants of the territory in Se tember 1920, said: 'In effect the relations between the South-W protectorate and the Union amount to annexation in all b name'. He went on to urge the members of his German audien to become Union nationals. The question of sovereignty caı before the Union Appelate Division of the Supreme Court the case of Rex *versus* Christian in 1924, when the five judges w divided. Three, Chief Justice Rose Innes and Judges Solomon a

Kotze, held that sovereignty lay in the League of Nations, while Judges de Villiers and Wessels held that the League was not a State capable of possessing sovereignty, whereas the Union, possessing full powers of administration and legislation, had to be egarded as sovereign. These legal questions might have continued o concern the minds of jurists and eventually have found their way to the Court of International Justice; but in 1946 the League of Nations died and in dying left no legal heir.

When in 1945 the United Nations was established as a spiritual but not a legal) successor of the League, a system comparable with the mandate system was set up. Member nations that had held nandates under the League of Nations were asked to transfer hem voluntarily to the care of the Trusteeship Council of the United Nations; that Council to function along lines similar to hose of the former Mandates Commission.

THE DISPUTE OVER THE MANDATE

At the Assembly in 1946 General Smuts asked the approval of he United Nations for the formal annexation of South-West Africa by the Union. The territory had been administered and egislated for by the Union as part of its own territory since 1919. n General Smuts's view, as expressed in 1920, it had been nnexed 'in all but name'. As the League of Nations, to which the Union had obligations under the mandate, was dead, it seemed natural to General Smuts that the relations between South-West Africa and the Union should now be formally regularized by nnexation.

But the Assembly of the United Nations said 'no'. World War II had set great forces in motion thoughout the world. As General Smuts said, 'mankind is on the march'. At the United Nations Assembly every member nation is equally represented, the mallest with the greatest, the coloured with the white. The majorty of those present are not white, and in their minds the position of the non-European had become a matter of uppermost concern. Not the personal prestige of General Smuts, not the long years of dministration of the territory, not economic or security matters were uppermost in the minds of those at the Assembly. Their houghts rested on the 300,000 non-white inhabitants of South-West Africa. There were also, of course, other thoughts in the ninds of those assembled. The United Nations is a focal place of power politics. It can be used for propaganda. It is a centre of

intrigue. For whatever reasons, and there are bound to have b many, the Assembly refused General Smuts's request for appro of the annexation of South-West Africa by the Union.

The Union was forced to consider its legal position. T Assembly asked it to submit the terms of a trusteeship un the Trusteeship Council of United Nations. This the Union, at 1947 meeting of the Assembly when it was represented by Harry Lawrence, then Minister of the Interior, refused to do. T Charter of the United Nations laid no obligation upon mem nations to transfer territories previously mandated to them by League to the Trusteeship Council. South-West Africa had b entrusted to the Union by the League. The League was dead. T Union would continue to administer the territory in the spiri the old mandate, and, as a voluntary concession to the positior U.N. as the spiritual heir of the League, it would submit ann reports similar to those that it had previously submitted to Mandates Commission. That is to say, the Union was preparec go on exactly as before. It would not surrender the territory would not press for annexation

But in May 1948 a minority of the Union's electors secure small majority of representatives in the Union Parliament. Malan replaced General Smuts as Prime Minister. The r Government included no world statesmen. Its members and supporters are more isolationist than the most incorrigible America's Middle Westerners. They, in common with almost white South Africans, had been deeply angered by the criticis of South Africa voiced at the United Nations in the course of debates on South-West Africa and on the complaint made by Government of India about the status of Indians in the Uni So in 1949 the Union of South Africa was represented at U by Mr Eric Louw, Minister for Economic Affairs, who took uncompromising, even a truculent line: the Union Governm did not recognize the authority of U.N., it would continue administer South-West Africa, it would submit no reports. T led the United Nations to refer the dispute to the Court of In national Justice for an advisory opinion on the status of the te tory and the obligations of the Union. The South African Gove ment argued its case before the International Court, but Dr Ma the Union's Prime Minister, announced publicly before the Cc gave its opinion that he would not be bound by it, whateve might be. The advisory opinion of the Court of Internatic

ustice, when given, showed that the Court had reached four main onclusions:

(1) that the Charter of the United Nations imposed no obligation n the Union Government to place the territory under trusteeship;

(2) that the territory is still under mandate;

(3) that the Union is still bound by the obligations imposed by he mandate, in particular to submit reports on its administration f the territory;

(4) that the Union cannot modify the status of South-West Africa without the consent of United Nations.

In effect, had there been no change in the Government of South Africa in May 1948, the Court's opinion would have been largely n line with the policy of the Union Government.

The conflict which now exists between the Union Government nd the advisory opinion of the International Court centres almost entirely around the submission of reports In 1947 General Smuts had promised to submit them. In 1949 Dr Malan refused. To report or not to report to the United Nations on the administration of the territory was made a major issue in the South-West African elections held on 30 August this year. They resulted in a omplete victory for Dr Malan.

THE TERRITORY AND PEOPLE

The territory which is the subject of this dispute stretches from he western boundaries of the Union and the Bechuanaland Protectorate to the Atlantic Ocean; to the north it joins the Portuguese territory of Angola. It is large, about the size of France. Much of the territory is sheer desert; large areas are that kind of esert which will blossom like the rose on the rare occasions when rains. The long Atlantic coastline provides no natural harbours: orts have been laboriously created at Luderitz, Walvis Bay, and Swakopmund. Alluvial diamonds have been found in the desert nd coastal sands around Luderitz; they are now carefully guarded, est they break a precarious market. Surprisingly, sheep roam the ess arid desert areas, finding sustenance in the few plants that urvive and yielding karakul (Persian lambskin), the territory's rincipal product. In the north are wide fertile uplands that permit f dairy farming. Roads are few and sometimes unusable for motor transport because of sand drifts; the South African Railways onnect up the few small towns. The traveller, looking out from he window of a meandering train over a country seen dimly

through the whirling sand that penetrates the carriage invades eyes, ears, hair, food, and bedding, wonders why an should be interested in the country one way or another; it i evidently a good country to get out of and to stay away from.

This large and mainly uninviting area has a populatio about 340,000, including 38,000 whites and 303,000 non-wh In the 1937 report to the Mandates Commission, the Euro population was divided as follows: 18,128 Afrikaans-speak 2,395 English-speaking, and 9,632 German-speaking.

In the northern fertile highlands live the Ovambos, probably country's oldest inhabitants. In the arid, and partly sheer de coastal and southern areas roam the Hereros, the Hottentots, the Berg Damaras. At some time during the last century Hereros, a virile and war-like people, came into this territory f the north-east bringing with them large herds of cattle. T made war upon and subjugated the Berg Damaras. Inter-tr fighting and cattle raiding continued, more particularly betw Hereros and Hottentots, until 1893, when assaults on the na tribes by German troops united them in the face of the common enemy. The Herero War of 1903-1907 cost the Ger Treasury £30 million and the German army 2,000 lives. Befo was over the tribes were scattered, their lands and cattle co cated, and their numbers greatly reduced. The estimated pop tion in 1904, compared with the 1911 census, tells its own st

	1904 (*Est.*)	1911 (*Census*)
Herero	80,000	15,130
Hottentot	20,000	9,781
Berg Damaras	30,000	12,831
	130,000	37,742

When the Union of South Africa took on the mandate in 191 assumed responsibility for a people who had suffered much at hands of white rulers. The Mandates Commission, in its comm on the Union's report on the Bondelswart Rising of 1922, expres appreciation of the fact that the Union 'had succeeded to inheritance of hatred and fear caused by the German suppres of native tribes.'

ADMINISTRATION UNDER MANDATE

The merits or demerits of the Union's administration du

the thirty-one years that it has been responsible for South-West Africa cannot here be assessed. Before any judgment can be made, many factors have to be considered: the legacy of hostility left by the Germans in the minds of the African inhabitants; the considerable number of Germans remaining in the territory who became deeply affected by subversive Nazi propaganda and activity in the years between the wars; the traditional paternalism of the Afrikaners, many of whom migrated into the mandated territory from the Union; and the pre-occupation of the Union with its own immense problems in governing a complex multiracial society. It possessed only limited resources from which to supply the new territory with police, civil servants, native administrators, and other governmental personnel, and the cost of administration was high. The mandated territory brought no profit to the Union, though in recent years the boom in karakuls has made the territory self-supporting. Sir Charles Dundas, writing in 1946, stated that at that time the territory was in debt to the Union Government to the extent of £2,570,000, and to the South African Railways and Harbours £63,758 for capital works; the railway system had to that date shown a loss of £6 million.

It can at least be said that the country has settled down. There have been incidents such as the Bondelswart Rising in 1922, which was followed by public inquiry; but population has risen markedly. In the first eighteen years of the Union's administration, between 1919 and 1937, the native and coloured population increased by 36 per cent. The Hereros, who numbered 15,000 in 1911, were 33,000 in 1944. The total police force for a country the size of France is 254 white and 169 non-white Ovambos, still living according to traditional tribal custom, are administered by indirect rule such as obtains in the British colonies and protectorates. Negley Farson, in *Behind God's Back*, said of them, 'The Ovambos were the happiest people I found anywhere in Africa'.

The Union instituted the system of native reserves in the territory, following the pattern within the Union itself. The report to the Mandates Commission in 1937 shows 17½ million hectares[1] of native reserves and areas set aside for the extension of reserves. The case for and against this system can be hotly debated. It sets aside, for the exclusive use of tribal natives, areas of land of which they cannot be deprived by purchase on the part of Europeans. It gives native people the security of land and saves them from

[1] 1 hectare = 2½ acres approximately.

becoming a landless and property-less proletariat. On the o
hand, even if the lands provided are fully adequate when the a
are set aside, peaceful life within the boundaries, free from t
wars and cattle raids, results over the years in the area becor
over-populated both in people and cattle. Unless vigorous,
expensive, action is taken to educate the natives in the use
conservation of soil and rainfall and the selection of cattle,
reserves cease to be able to maintain their population, as
happened extensively in the Union. The reserve system is
associated with a segregation policy and therefore invites criti
based on objection in principle to racial separation.

Very much has still to be done before South Africa could rig
claim that in accordance with the terms of its mandate it
'promoted to the utmost the material and moral well-being and
social progress of the inhabitants of the territory'. An advance
been made in education, the number of non-European pupi
school in the area outside Ovambo-land rising from 5,821 in
to 6,431 in 1944, while expenditure on education in the same
rose from £22,000 in 1940 to £36,467 in 1944 and £55,760 in 1
But education still has far to go. The economic position is p
particularly of those tribes that a century ago roamed with t
herds and fought and raided over virtually limitless lands. T
are dependent for employment on farmers or upon such ma
labour as the country needs. Not until nomadic people l
learned new agricultural habits, until parched lands can
irrigated, until industries have been developed which can
rising gradations of skilled labour, is the economic position of
major part of the population likely to improve substantially.

FUTURE PROSPECTS

In the discussion which will arise at the United Nations on
advisory opinion of the Court of International Justice, it is t
hoped that some constructive proposals may be made. I
reasonably certain that the future of South-West Africa lie
association with the Union. There is no legal process that c
take from the Union the responsibilities placed upon it by
mandate. Except by war, the territory could not be taken a
The general wish of the people within South-West Africa is
administration should continue to be in the hands of the Un
The white electors have twice stated this by resolution of
Legislative Assembly, and have re-emphasized their declaratio

the polls on 30 August. The figures given to the United Nations Assembly in 1947 on the views of the African inhabitants were:

In favour of incorporation with the Union	193,400
Against incorporation	31,800
Not asked	67,000

These figures are necessarily open to some question; the consultation of primitive and tribal peoples is a difficult process; but that a substantial majority would favour remaining with the Union is reasonably sure, if for no better reason than that 'the devil you know is better than the devil you don't know'.

Apart from complaints and expostulations, the practical possibilities open to the United Nations are very few. It is contended in some quarters that the United Nations should take steps to enforce the finding of the International Court. In effect this means trying to force the Union of South Africa to submit reports on its administration of South-West Africa to U.N.

However deplorable the Union's present refusal of reports may appear to be, what practical steps could be taken to ensure their submission if the Union continues to refuse? Recourse to war or to trade sanctions are unlikely, even if considered desirable. And what would be gained by forcing the submission of reports if no practical steps could be taken to remedy any matters to which objection might be taken?

Clearly, persuasion is the only available means. If its present mood were to become modified the Union might be induced to take the wiser course adopted by General Smuts in 1947 and agree voluntarily to submit reports.

The creation of an atmosphere in which such a course could be taken would itself be desirable. The way would then be open for friendly interchange of views and experiences between different countries of Southern Africa confronted with comparable inter-racial situations. No harm could come, and much good might result, from increasing consultation on such matters as education, health, and social services, leading up to exchange of experiences in the shaping of policy.

Some of South Africa's critics appear to consider that it would be possible, assuming that the Union of South Africa were divested of South-West Africa—presumably by means of war—to govern the country by some kind of International Commission set up by the United Nations. A glance at the map and a consideration of the economics of the position would show that no such idea

is practicable. Apart from the integration of such services as ways, once the present boom in karakul is over the territory wi dependent upon outside funds if it is to develop at all. Apart these considerations, there are the practical difficulties o international body setting up an administrative staff; and, a all at the present time, there is the danger that any internat commission would be regarded by certain Powers as an except opportunity to create troubled waters in which to fish.

Some who are represented at the United Nations, lacking kı ledge of multi-racial societies composed of groups at widely di ing stages of development, may think that the white man sh withdraw altogether from South-West Africa leaving the terr to the various African tribes. No one with any knowledge of or of any other comparable territory would regard such a cour possible, even if the means were found to persuade the v inhabitants to abandon their properties and interests.

In the years between the wars a number of British residen South-West Africa felt themselves to be seriously threatene the growing number of Afrikaners in the territory and by marching and drilling of the German inhabitants in response t stimulation of the rising power of Nazism in Germany. The fe of these British inhabitants can be appreciated by reference t comparative figures of Afrikaans-speaking, English-speaking, German-speaking residents in 1937 already given in this ar In their anxiety to find an answer to the German-Afrik challenge they dreamed of a new Dominion comprising So West Africa, British Bechuanaland, and Southern Rhodesia. South Africa Act of 1910 envisaged the long-term possibili the then created Union of South Africa including the High C mission Territories—Bechuanaland, Basutoland, Swaziland— Southern Rhodesia. By referendum Southern Rhodesia refuse be incorporated in the Union, the main reason being fear of Afrikaans-speaking section of the Union which, notwithstan the statesmanship and idealism of Sir Henry Campbell-Banner and Generals Botha and Smuts, had not, as to the majority, come completely reconciled with those of British origin in Union and absorbed with them in the new nation. Great Br has so far declined to transfer the High Commission Territ to the Union,[1] mainly because of its disapproval of the Uni

[1] See "The High Commission Territories and the Union of South Af in *The World Today*, February 1950.

racial policies towards non-European sections of the population, policies for which English-speaking and Afrikaans-speaking are alike responsible.

Yet the idea of closer association between the various territories of Southern Africa where English is spoken still lingers. Whatever differences of outlook and policy there may be in the several countries, they have many interests in common. Problems of the education of large numbers of backward peoples; health services in areas affected by tropical diseases; communications; difficulties arising from the disintegration of tribal society; the question of housing large numbers of unskilled industrial workers migrating from rural areas to the new towns; the maintenance of tribal society as an instrument of government; all these and many others are matters of common interest and concern. Intercommunication increases. Officials trained in one territory secure employment in another. The thought of some kind of federation grows.

Given happier times, it is possible that the Union of South Africa, South-West Africa, the British Protectorates, Bechuanaland, Basutoland, Swaziland, Nyasaland, Southern and Northern Rhodesia, Uganda, Kenya, and Tanganyika, might be linked in such matters as foreign policy, defence, communications, and customs. Each territory would naturally wish to retain its own identity and to try out its own policies in the vexing field of race relations. Given time and freedom from wars, a federation might be brought about; there might even arise a United States of Southern Africa within the membership of the British Commonwealth.

M. W.

Agriculture in Yugoslavia

Problems of Collectivization

IN ITS first Five-Year Plan the Yugoslav Government intended to increase industrial output by over 200 per cent, expand the social services, increase the value of agricultural production by half, and collectivize 50 per cent of its agriculture. For the last two years Government spokesmen have been complaining that agriculture

has lagged behind industry in its development; by failing to r its planned targets it was hampering economic developmer general, and in particular was holding down the standard of li

For the first six months of this year the food industry prod 15 per cent less than for the corresponding period last year, the country is finding it difficult to meet all its export com ments. As yet, in their publications, the Yugoslavs have offere serious analysis of the reasons for the failure of their agricul plans. The only unforeseeable element in the situation was Cominform economic blockade, but they have claimed that t difficulties were overcome by mid-1949—just when their agr tural crisis began to develop—and that trade with the West g them more favourable returns. The situation has also been ag vated this year by the exceptional drought; though its effects probably not be so catastrophic as some commentators sug since the Government is falling back on reserves and redu exports, while available figures suggest a loss of not more tha per cent of the normal crop. Its political effect will be sm than that caused by Government mistakes. Droughts are mis tunes that the Balkan people have learned to take stoically, anc Government's promptness in remitting deliveries and arran to help the stricken areas has met with general approval.

Analysis of Yugoslav agricultural policy and its shortcom must distinguish between problems inherent in planned accelerated agricultural change, and those due to disequilibi between agriculture and other sectors of the economy.

AGRICULTURAL PROBLEMS

The problem facing the Yugoslav planners was fundamen similar to that in the rest of Eastern Europe and Asia—rural c population and lack of modern industry. Agricultural popula per unit of cultivable land was four times that of Great Britain, productivity per acre only half; 80 per cent of the population rural.

By diminishing the rural population the Government aime raising the net surplus of agricultural productivity. Since course, a fall in the rural population, unless accompanied by r mechanization, would lead to a decline in the total agricul produce, including the quantities consumed on the farms, anc labourers had still to be fed and clothed when they went industry, the success of the Plan in raising the standard of li

demanded three conditions. The first was that industry would make a contribution to the consumption-goods fund equal to the decrease in gross agricultural produce, either directly, or by replacing imports in order to divert food exports to the home market. The second was that labour should migrate from areas of the lowest net productivity. The third was that industry should be able to supply agriculture with new capital, machinery, and consumption goods for incentives at a rate not less than its increased demands for food and raw materials.

Investment scheduled for the period of the Five-Year Plan was 278,300 million dinars, or 27 per cent of the estimated national income. In practice, of course, investment constitutes a still larger percentage, since capital expenditure has been maintained at the expense of scheduled consumption. This is very high, especially in view of the overall low productivity—which is only about a third of that of Great Britain—though it is five times higher than the pre-war estimates. The number of non-productive workers in State employment and elsewhere is also larger, and recent 'axing' of bureaucracy will need time before its effects can be seen in the economic field.

Foreign credits are negligible, and most of the new capital projects are scheduled, naturally enough, to come into operation towards the end of the Plan. Mining and forestry are scheduled to add a few points to the national income, but they are by no means sufficient to cover the increase in exports. The main burden of the investment programme, its export drive, its raw materials production, and food for its increased industrial and administrative population, rests on agriculture.

AGRICULTURE'S DEMANDS ON INDUSTRY

To achieve a 50 per cent increase in the value of its product over five years, agriculture would require vastly increased capital, technical help, and incentives. The Plan, however, proposes to invest only 19,400 million dinars over the whole period, mainly in the latter part. This would average out at some 15,000 dinars a holding (£100 sterling at present exchange rates, but worth less in practice). Nine-tenths of this sum is earmarked for the collective and State farms, which represent less than 30 per cent of the total.[1]

[1] In England, before the Second World War, small holdings created by County Councils entailed an average cost per unit of £1,285 for an average farm of 24 acres, and, in addition, the small-holder's working capital needed to average a further £10 per acre.

Agriculture's share of new investment was to be some 7 per to be spread over 70 per cent of the working population, whil group comprising mining, metallurgy, fuel and power, man turing industry, and communications (but excluding buil was allocated 67 per cent of total investment, to be spread ove than 12 per cent of the working population. With an applicati capital fifty times less intensive per head of manpower, agricu was expected to achieve an increase of 50 per cent in value pro compared with industry's 200 per cent. In Yugoslavia onl peasant in two owned a plough, horse, or cart; many pe holdings were almost completely without capital, and were position to engage, without substantial help, in significant incr of production. Even the help scheduled for agriculture in the is not forthcoming, since the chemical industry, especially lizer production, is lagging badly behind. Scheduled tractor duction will be sufficient to plough only one-sixth of the a acres by 1951, assuming optimum utilization, but very few w available for use before the middle of that year. The same is tr the quarter of a million iron ploughs (the wooden plough is widely used), seed drills, harvesters, and other equipment.

The Government's excellent programme of agricultural t ing also involves a considerable time-lag before its effects their cost. The first batch of students has graduated, but ma them have been at once re-absorbed as staff; years will be ne before the institutes and committees have anything like suffi personnel, and minor agricultural training schemes must n sarily be tied to the tempo of university development.

Though the Government claims, probably with justific that the total availability of consumer goods is greater than i before the war, the working population has increased, an share accruing to the agricultural population has certainly inished. Even before the war the price-scissors operated ag the Yugoslav peasant. Today the Government is squeezing harder, especially as it is engaged in raising the standards o poorest peasantry at the expense of the more productive. repercussions of this policy will be discussed later.

UNEVEN DISTRIBUTION OF POPULATION AND PRODUCTIVIT

Agricultural over-population is unevenly distributed. Ir Sava-Drava-Danube Basin the land is relatively well cultiv natural increase of population is low, and though there is scop

larger-scale farming, there is little opportunity for increasing the net product by lowering the agricultural population, unless it is replaced by immediate mechanization. The birthrate is highest in the mountainous areas of Yugoslavia, often in inverse proportion to the productivity of the land. The poorest areas, though possessing a large agricultural population, do not produce sufficient to feed themselves. Before the war, in spite of supplementary work as unskilled labourers by members of peasant households, and the receipt of emigrants' remittances, these areas suffered badly from malnutrition. The planners have the task of ensuring maximum emigration from these areas; to ensure the greatest increase in net output, they will have to divert some land from cereals to olives or vines, and take some completely out of cultivation.

In Dalmatia and the Croat Littoral one can see hand-planted terraces of wheat, of not more than ten square yards. These patches, together with flocks of mangy sheep and goats, whose milk is made into cheese and whose wool is spun on the distaff, are almost the sole source of income for many households. These people are a drag on the national economy, but often too ignorant and resigned to move on their own initiative.

Moreover, hitherto labour has tended to move into industry from the best land, not from the worst, and the Government is endeavouring, as opportunity allows, to persuade recent recruits to industry from the richer agricultural areas to return, in order to increase agricultural production. In the richer areas communications and education are better, and the peasantry more enterprising; most of the industrial centres still lie in these regions, although industrialization of the backward areas is being pushed ahead as fast as possible.

In countries with a lower rate of investment, less pressure on available capital, and a wider margin for adjustment, over-rapid labour migration to industry from the surrounding rural areas would have been compensated by more rapid mechanization. This in turn would have benefited those areas through increased food prices (especially net prices) and better facilities. But in Yugoslavia the small fund for agricultural mechanization, compared with the large expenditure on long term capital investment, prevents this adjustment. In the poorer areas, where the Government has raised the standard of living of the poorer peasants at the expense of the richer areas and the people are relatively satisfied, migration is not as large as was hoped. To remedy this unevenness,

by extensive improvement schemes, by the installation in the areas of productive industries which can work without too r skilled labour, by educating the peasants in modern methods, by mass resettlement schemes, it will be necessary to find ı time and capital than have hitherto been granted. The retaı effect of this unevenness appears to have been ignored wheı tempo of the Plan was set.

Allocation of resources is, in practice, far less satisfactory the ideal which appears to have been the basis of the Plan. U the Russians, Tito eschewed from the beginning the use o ercion as the basis of his labour policy, and in any case lacke necessary administrative apparatus. Capital has been directed industry by the central planners, but labour has lagged behır There is a shortage of manpower in industry, especially mark mining, iron and steel, engineering, and war-industries—prec those industries, in fact, which have been most highly capital

The use of large income differentials to attract labour agriculture into industry is impracticable, owing to the absol low level of incomes. There is, as yet, no large surplus availab achieve a significant difference by raising the standards of in trial workers, while any attempt to depress agricultural inc would endanger health, political stability, and productioı shortage of manpower in industry and a surplus in agricul while capital is diverted to the former, means decreasing ret on capital in the first and on labour in the second, owing to rapid industrialization.

COLLECTIVIZATION AND COLLECTION

The Government, meanwhile, though it has little to offeı peasants, is demanding increased deliveries. The value of m has been falling continually since 1947, and the amount of g available to meet ration cards and 'tied-price' coupons, alr limited enough, has suffered a 3 per cent drop this year. Tied- coupons are given to the peasants when they sell their produ fixed low prices to the Government, but these coupons are always fully honoured.

Though in 1947 Kardelj expressed the hope that enfc deliveries could shortly be abolished, they have in fact often increased. In addition, increased delivery quotas and high tax have been used by the Government in their struggle agains richer peasantry. Many peasants have reacted by concealing

and, where Government collection is efficient, by ploughing land. The peasant has only partly emerged from subsistence g, and when the return for his labour falls too low he spends ime on odd jobs around the farm, grows extra vegetables for nption or sale in the local market, or takes more leisure. As t the cultivated area has fallen during the past year. The ic fishermen have reacted in much the same manner. Since ish sales are difficult, they sell their catch at sea to the Italian n exchange for rice, which they sell on the black market. sult, the Adriatic coast last year was short of fish.

ectivization was undertaken by the Government not only to e production but also to ensure a high rate of deliveries of o the Government. This was made clear in one of Kardelj's ves last year, stressing the importance of pushing ahead with ivization in order to break the 'monopolistic position of the lual peasantry', i.e., to give them less for their produce. ive farms have often been paid considerably less for their e than individual farmers. It is this capacity to exploit arouses peasant hostility more than opposition to communal g. It is doubtful whether there is any mystique in the t soul which is irrevocably opposed to collectivization, lly in Yugoslavia, where the *zadruga*, a form of Slavonic ommunal cultivation, is still practised in many areas. ts, whose experience has taught them to be suspicious of iments, judge collectivization mainly by what it does for In areas where collective farms have been established and ised the standard of living of the participants, other peasants ined them, and further collectives have been formed.

rate of collectivization possible is limited largely by agricul- ivestment and working capital available. By concentrating in the existing collective and State farms, the Government to give them some advantage, but even so, some collective are very poorly equipped, and there is relatively little to or new ones. Yugoslav Communist leaders speak in terms ng the tempo of collectivization to that of industrialization ocess which for them implies mainly capital investment. ity, since high capitalization of industry at any given time es with agriculture for limited resources, the tempo of vization must under these conditions move, in the short run, rse proportion to the rate of industrialization.

really low technical level, the individual peasant farms are

often more productive than they would be if formed into a collective. On the poorer holdings the whole family works from morn till night; if collectivized, their labour will slacken, however high their enthusiasm, to a more human level. Time spent on organization, checking, and payment systems also has to be made good by higher productivity. The Government spokesmen often speak of under-utilization of equipment caused by the existence of numerous individual holdings; but the number of holdings would not prevent the operation of machinery pools, which can be much better adjusted to local needs in their choice of location and size than can collectives, whose size and incidence depends on political and social considerations. The Government is more prone to point out the need for the use of its modern technique in collectives, than to remember that it has very little in the way of machinery and technique yet to offer.

A highly efficient agriculture without collectivization has been attained in Denmark, and experience shows that the size of farm most suited to the use of machinery often conflicts with the demands of management. Many collectives are genuinely successful, where they have built up a community spirit, but in view of the variations of crops, soil, climate, and traditions, it is doubtful whether one stereotyped form, chosen because of its supposed success in Russia, can be forced on to agriculture in every region of a country so diversified as Yugoslavia.

The incorrect handling of the peasantry over collectivization springs largely from the attempts to achieve the Government's unrealistic target of 50 per cent collectivization by 1951, without the material means to achieve it. Though Tito, Kardelj, and others blame this mishandling, and the use of force or economic pressure, on the local authorities, a good deal of the blame also attaches to Belgrade. For one thing, any plan must take account of the average level of administrative and political ability of those who are to carry it out, and must legislate for men, not for angels. From the administrative standpoint the early years of a scheme, when all problems are new, is the most difficult, and tempo must be adjusted for the 'running in' period. To gamble on immediate attainment of maximum administrative and technical efficiency leads to failure, whether in Croatian beet-fields or East African ground-nut plantations. At any given time administrative talent is a fixed resource, like any other, and its allocation must fit into the general plan.

In any case, local authorities were faced with the task of increasing the surplus to be taken from the peasants, with a declining fund of goods to offer them, and peasant confidence in the Government and the currency was not high enough to encourage large voluntary saving. Where they used legal or economic pressure they were criticized; where they did not, they were attacked for failing to show results.

The writer recalls a discussion in Belgrade last summer with a high official of the organization responsible for collectives and village co-operatives. He spoke with grim eagerness about methods of squeezing the richer peasantry, and justified the refusal to honour their tied-price coupons, and the deliberately increased taxation. As he spoke his powerful peasant hands closed round an imaginary kulak neck. Experience has shown that this conduct, besides causing a fall in output from the richer peasantry, has been resented by the poorer peasants and even by collective farmers, and has shaken their confidence in the fairness and reliability of the Government.

SOVIET EXPERIENCE AND THE 'KULAK'

When the Yugoslav Plan was being prepared, the success of Soviet agrarian experience was taken for granted. In 1947 Kardelj wrote: 'The Soviet Union has given us a practical example of how a socialist State can, at an accelerated pace, carry out industrialization through the reconstruction, advancement, and development of agriculture by the efforts of the peasants themselves, bettering at the same time the living conditions of the peasants.'

By 1949, however, Minister V. Begovic wrote that Yugoslav collectivization would take place 'with far fewer troubles and difficulties and without the destruction of economic values which accompanied it in the Soviet Union'. Marshal Tito has recently admitted that prior to the Cominform Resolution the Yugoslav leaders 'accepted many illusions and attempted to transplant into their own country whatever was done in the Soviet Union without sufficient criticism'. These illusions included a belief that the tempo of the Plan could be raised, regardless of public unwillingness to suffer a decreased standard of living in face of increased effort, and of the fears of the richer peasantry. The better-off peasants are never allowed to form collectives among themselves without the participation of poor peasants and Communist leadership. This clearly tends to frustrate increased production and the

diversion of surplus labour to industry, where there is still shortage, especially in the branches where most capital invested.

The land distribution after the war, when half a million labourers were given land, also made the task of diminish over-population and fragmentation of land more difficult. or not it was politically necessary is outside the scop article, but if the Government is prepared to subordinate e needs to political pre-conceptions it must adapt i accordingly.

The hatred of the 'kulak' is imported from the Sovie It has caused the Government to regard many of its best as enemies, and often actually to provoke their hostility. the Soviet Union, though differentiation among the peasa far greater than in Yugoslavia and support for the Gover the countryside was far less than Tito's, the exaggerated l kulaks was mainly a smoke-screen for Stalin's war ag peasantry as a whole. There are, indeed, certain cont elements in the fear of the growth of a kulak class. W Government demands greater production from the pe fears and penalizes those who achieve it. While the Co Party continually asserts the superior productivity of the c it fears the superior competitive power of the enterprising While recognizing that in the past the fiscal authorities owners of capital have tended to dominate agriculture, the C ists fear that their own Government, with its vastly incre consolidated control over finance, trade, supplies, and ma and with its wide popular support, may lose economic and control of the countryside to a handful of smallholders. maximum land holding permitted to a single family in Yu and the level of capitalization of even the richest kulaks, wo be equivalent to a small-holding or undersized, ver equipped, family farm in this country. The only real f English standards, are the collective and State farms.

So long as there is a real conflict of interests between ag and the rest of the economy, it is doubtful whether collect will resolve it, however strict the party control. The n Communists in charge of collective farms must, in the c time, either come to share the mood of the peasantry, or remote from them and regarded as Government agents.

In the last few months the Government has begun to

attitude towards the peasantry. The 50 per cent collectivization target is being modified (it has not yet reached 30 per cent), and more emphasis is being placed on the village co-operative as a stepping-stone to further co-operation and as a link between the individual peasantry and the Plan. Another compromise, achieved largely by accident, is now being encouraged: a collective comes into close relations with the individual peasants, acting as their marketing agent, machine station, adviser, and agronomist, and thereby linking them with State planning.

There has been no sign, however, of a fundamental change in the Government's attitude towards the tempo of development and rate of investment, which must, in the last analysis, decide their treatment of the peasant. The last Party directive on agriculture, an article in *Komunist* (January 1950) by P. Stambulic, Prime Minister of Serbia, added nothing new to the understanding of the problem, but repeated at length all the reasons for the present tempo of collectivization. This suggests that many Communists are still not convinced. He reiterated that the slow development of agriculture is holding back industrial development, but an advanced industry and a backward agriculture would produce even worse results. The development of agriculture must set the limit to the extent of industrialization during the short-run period, as industry is incapable of substantial re-investment. The tempo of industrialization is bound to be determined by two main considerations, the level of investment the economy will stand without a fall in its gross product, and the time-lag between the initiation of capital investment and its final contribution to agricultural productivity, whether with machinery, technique, or consumers' goods.

This balance sets the maximum tempo of development, whatever the social system; the readiness to ignore it, and the worship of industry, especially of heavy industry, is by no means confined to Communists. It is clear that in Yugoslavia the growing gap between investment and agricultural production must soon force planners to scale down the former, unless they receive considerable credits. If they attempt to retain the present tempo for another two years its effect on the peasantry will retard the country's political and economic development for the next generation. Heavy as has been the price paid for the speed at which the Plan is being enforced, there is no doubt of the courage and resourcefulness being shown in this attempt to alleviate, in a few years, poverty and back-

wardness caused by centuries of neglect. The plan contains many valuable measures, which should be of interest to many countries sharing the same problems, and precisely because of this it is necessary to analyse the many shortcomings which have prevented complete success.

A. V. S.

The Swedish Outlook

Local Elections and Foreign Affairs

THE elections to municipal and county councils which took place in Sweden on 17 September were preceded by a campaign on the platform, in the press, and on the radio in which the discussion of foreign affairs played a more conspicuous part than in the last general election to the Second Chamber in 1948. The Social Democrats won nearly half the votes and the Liberals gained ground at the expense of Conservatives and Communists. To what extent electoral gains and losses can be linked with variations in the emphasis which party leaders placed on neutrality, or on the urgency of defence, is a matter of opinion. On the surface the traditional detachment of the average Swede still reigns.

Efficient production and the relative success with which post-war economic problems are being solved since 1948[1] have given rise to pardonable complacency and to a greater variety of consumer goods; only coffee is now rationed. 'Coffee free this autumn unless war becomes general', ran a genial summer headline. But the prominence of international issues in a debate devoted normally to local politics is an index of latent uneasiness, which has been growing since the outbreak of the Korean conflict. Just before, at the International Socialist Conference in Copenhagen, the Prime Minister, Tage Erlander, on 4 June again stressed the advantages of well-armed neutrality. When he announced a few weeks later (2 July) that Sweden condemned 'the attack by North Korea on South Korea' as 'an act of aggression liable to endanger world peace', and the Government sponsored a field hospital manned

[1] cf. 'Sweden Today', in *The World Today*, October 1949.

les, a change occurred on the citizen's horizon. It delighted ›rity demanding unequivocal orientation towards the West, › impelled the Government to reaffirm the nation's independence of military blocs, confident in the belief that the majority d continued caution.

: election campaign a large banner on the bridge between ıl Palace and Stockholm's shopping centre bore the slogan: want strict neutrality? Ensure it for this year through 'emocracy.' Thus the 'alliance-free' policy, often described on the agreement of all 'democratic' (i.e. non-Communist) ›ntary parties, was claimed by the governing party as y its own.

³rime Minister spoke on behalf of the nation when he 1 a press conference on 3 August that Sweden would not Atlantic Pact, even if formally invited to do so. Herr ndén, the Foreign Minister, equally claimed to express the view when he stated on 20 August that the Government's ıpport of United Nations action in Korea implied no ın foreign policy, which envisaged Swedish armed neu- ıould the Korean struggle develop into a 'Great Power' t within this framework, rigid though it appears to the ›bserver, there is room for many differences in interpreta- in long-term estimates of national security. At one extreme roadcast by Sven Grafström, permanent delegate to the Nations, suggesting that if the U.S.S.R. withdrew from [. a country like Sweden might reconsider her member- the other extreme are Conservatives and others who urge intra-Scandinavian consultations on defence. Outside the ramework are many tireless advocates of Western align- ıcluding Liberal editors such as Herbert Tingsten, Bo ', and Harald Wigforss, who holds that America's 'Monroe : for the whole world', demonstrated in Korea, demands co-operation of Europe, unhampered by indecision and ısures.[2] The Swedish branch of the European Movement 'om Gothenburg a forceful News-Letter in this spirit. ıg to the latest Gallup poll, 18 per cent of the Swedish ıpports outright adherence to the Atlantic Pact.

nain points in the Social Democratic election manifesto,

en will not join A-Pact', *The Norseman*, Vol VIII, No. 5 (September- 950).

ika och Korea', *Utrikespolitik*, 1950, No. 4 (August).

to which the similarity of many Swedish and British problems lends added interest, were given in the following order by a party organ: '(1) Social Democracy maintains the traditional Swedish policy of declining military alliances which would place us in opposition to other States or groups of States; (2) increased production should be used to give increased freedom to those engaged in production, as well as greater security in old age; (3) the policy of full employment must be combined with efforts towards balancing the public economy; (4) social reconstruction must continue; (5) the housing shortage must be ended by various public measures; (6) the expansion of democracy in the cultural sphere shall proceed; and (7) the development of inadequate agricultural production to a sound basis is to be promoted.' The lack of precision in these estimable goals is characteristic of the propaganda difficulties of a party long in power, and in fact Social Democratic election speeches often enlarged instead on the Communist danger to industrial peace and on the Communists' literal subservience to the Russian 'line' in the Security Council: 'Sometimes the translation (at Lake Success) takes so long that the Swedish Communists are obliged to defend points of view already abandoned by their instructors', Erlander noted. He was nevertheless at pains to defend, against Communist critics, the logic of Sweden's adherence to United Nations policy on Korea, and at the same time decried as misleading their taunts that Sweden had strayed from the neutral path. Undén analysed in detail the 'Stockholm Peace Appeal', the name of which is deeply resented in that capital, pointing out that its terms would brand a State which was the victim of aggression as guilty of a 'crime against humanity' if it defended itself with atomic bombs, whereas in fact the real crime was 'starting a war'.

The Liberal Party's election manifesto also gave foreign affairs first place: '(1) Sweden belongs to the West (contacts must be established with Norway and Denmark in the interests of common Nordic defence; measures against the fifth column's sabotage preparations must be sharpened); (2) housing should proceed at a faster tempo; (3) the individual citizen must be able to keep more of his income; wage freeze injustices must be eliminated.' Points (5)–(11) were devoted to the policies of full employment and more holidays for all, better land conditions, safeguards against monopoly and over-centralization, social welfare, and, finally, 'Christianity and humanism as the foundations of our culture'. When it was the turn of the Liberal leader, Bertil Ohlin, to be questioned by

›arty leaders in a radio debate, both the Social Democratic
: Communist leaders asked which of the opinions expressed
eral quarters on freedom from alliances and the Atlantic
espectively, were shared by Ohlin himself. In reply he urged
navian military talks, adding that the practical application
two principles of freedom and defence was much simplified
e no attack was feared from the West. 'A wise and cautious
termined foreign policy and an immediate strengthening of
fences are required' (12 September).

servative propaganda centred, characteristically, round
e.[1] In the light of the Korea crisis, the party leader, Jarl
ırson, addressed an open letter to the Prime Minister calling
on to urgent needs. Since 1949 the Nothin Committee had
reparing long-term plans to economize in the reconstruction
armed forces, but only an interim report was ready and
ırson wanted immediate action. He demanded a lengthening
first term of military service from nine months to eleven,
y for important defence orders in the relevant industries,
tic efforts to get more military material abroad, stock-piling
ntial products, supplies for civil defence, and greater atten-
the danger of Communist sabotage. Erlander deprecated
plication that the Government had 'simply slept over this
post-war period', recalling that Sweden was well armed by
rison with a number of other countries. He nevertheless
:d the suggestion that the Government confer with the
ıon-Communist party leaders on national security. That in
uence an agreed programme could be announced two days
voters went to the polls undoubtedly allayed many fears and
hened the Government's position.

quence in a Conservative election film depicted the edge of
›olic frontier between two ways of life, accompanied by the
'On one side are terror, daily repression, police control, the
of fearful slave camps far away to the East...' These words,
ıich the party's secretary, Gunnar Svärd, has accepted
sibility, were deleted by the State Film Bureau, in accordance
regulation forbidding anything which can disturb relations
foreign Power; but this example of peace-time censorship
omptly criticized by Liberals as well as Conservatives. In a
ebate the Conservative leader was heckled by Knut Ohlsson,
ımunist editor, with the question whether he considered

[1] 'Some Trends in Post-War Sweden', *The World Today*, July 1946.

Sweden should defend herself against an attack from the West. 'Naturally we defend our national independence,' Hjalmarson replied, and a sharp interchange on the source of Communist funds followed. Other Conservative policies mentioned were greater freedom of enterprise, especially in building homes, and taxation relief for the family unit, seen as the proper basis of the community.

Agrarian Party spokesmen were mainly preoccupied with explaining how farmers' interests are overlooked or compromised by other parties, as a justification for their existence as a separate political group. They wish to maintain social security, but to see it more equally shared. More than once the farmers' caution and lack of initiative in foreign affairs have recommended them, it is said, to the Social Democrats as possible allies in a coalition government.

The Communist leader Hilding Hagberg was chairman of the first radio election debate and took the opportunity to make violent attacks, in the name of peace and democracy, on the United Nations and America. This was sharply criticized as an abuse of privilege in the Liberal and Conservative press, a Liberal paper pointing out the inconsistency in the Government's censoring a propaganda film but permitting insults to foreign Powers to be broadcast.

The Communist Party has a steady, well-distributed following in Norrbotten, and Fritiof Lager, a member of Parliament described in the 'bourgeois' press as 'the Party's real leader', spoke at five centres in Sweden's northernmost province, including Pajala, where he opposed defence expenditure. 'It is said that money and material cannot be found to build schools in Norrbotten, but there is money for bunkers and gun emplacements . . . there is also money to pay officers and other military personnel stationed in Norrbotten, but no money to train doctors, etc.' Lager is also quoted as stating that industrial and transport-system sabotage is totally foreign to the methods of his party. In the election campaign generally, films and speeches were said to have been devoted to the Red Army and to the Soviet Union as a peace-loving land. Two last-minute defections attracted attention: a Communist municipal council candidate withdrew his name from the list, necessitating a fresh preliminary vote, and a Stockholm city librarian, contributor to Party publications and husband of a Communist municipal councillor, announced that he (but not his wife) was leaving the Party.

Votes were cast by over 3,700,000 citizens, some 78 per cent of

entitled to do so, said to be a record figure for a local
n. The results were hailed in a Government paper as 'A
ng Judgment on the Bolsheviks; the Social Democrats
ed Forward.' But the advance of the ruling party was less
:ic than the headlines: it amounted to an increase from 47
nt (1946) to 49 per cent of all votes cast, while Liberals
22 per cent, Conservatives and Agrarians each 12 per cent,
ommunists 5 per cent of the total. This advance was the more
ne, however, in that losses to the Liberals had been antici-
Such losses seem to have occurred, but to have been more
ompensated by Social Democratic gains from the Com-
s, whose votes were halved and mandates reduced from
31.

national totals will be reflected gradually in the composition
Riksdag, for the election of one-eighth of the members of
rst Chamber by the county and municipal councils takes
every year. The changes which alter the political character
locally governing majority in areas which exert a special
ice on the national life are of more immediate significance.
battle for Stockholm' has resulted in a 'bourgeois majority'
on the municipal council (Con. 14, Lib. 37, Soc. Dem. 44,
5) in place of the Labour majority of 10 which has ruled the
since 1946. Through the Communist loss of 12 mandates
rsson, at present chairman of the Police Committee, will
s place on the Borgarråd with the New Year. In Gothenburg
ommunist councillors drop from 15 to 7 and their repre-
on on most key committees will probably cease. In Luleå,
of Norrbotten, the Communist councillors number 7 after
s of 4 (Cons. 8, Lib. 7, Soc. Dem. 18), but in the province
hole the Party has 21,224 supporters, little less than in 1946
o), or about one-seventh of all Norrbotten citizens entitled
e. The Communist total of 184,503 votes for the whole
y cannot, in any case, be considered negligible, for with the
f opinion against them the present party members must
ent a convinced and disciplined group.

re has been little if any tendency to attribute the relative
fall of the four 'democratic' parties to their different ap-
to foreign affairs and defence problems in the election
ign. But the Communist set-back cannot be attributed main-
nternal economic causes, since the unpopular wage freeze
en maintained. Clearly the voters have drawn a moral from

the Korean tragedy. On the other hand, if many wavering electors had been definitely displeased with the Government's insistence on neutrality, the Social Democratic gains would scarcely have been possible. The Government is therefore bound to feel confirmed both in power and in policy, and if the next months hold any surprises they must presumably come from elsewhere.

A considerable body of opinion will meanwhile expect action on the basis of the defence priorities agreement reached at the third and final conference of party leaders on 14 September. No service representatives attended this meeting; their proposals had been submitted to the Government direct. The measures agreed must still be approved when Parliament reassembles, and the financial aspect was reserved for discussion there. In Liberal quarters it is feared that defence costs will give the Cabinet a blanket excuse for raising taxes yet higher and postponing economies which, the opposition believes, could and should be made.

The official communiqué states that the Government is prepared 'in principle' to ask parliamentary sanction for expenditure on new war material costing Kr. 65–70 million, including armoured vehicles, radar, new types of anti-aircraft artillery, and the new 10·5 cm. field howitzer. The number of reserve officers would be increased and voluntary officer training intensified. The Government will also consider the Commander-in-Chief's proposal that 12,500 *gruppchefen* from the Army and coastal artillery be called up for a month's extra service, besides three months' further training for about 5,000 naval conscripts, starting next spring. The Government is willing to authorize work on fortifications and airfields within the limits of the funds available (Kr. 15–20 million), and to recommend the allocation of Kr. 45 million to the Civil Defence administration for training, 'direct-hit proof' shelters, and other buildings. In response to the State police chief's request, the Government intends to ask Parliament to vote Kr. 1 million for anti-espionage and anti-sabotage precautions. Military hospitals and medical services would receive Kr. 4 million (of Kr. 31 million demanded). An application by the Economic Defence section for the means to increase reserves of import goods will be supported, but the question of building more bomb-proof oil reservoirs and workshops is left for further study.

The introduction to the agreed statement underlines the fact that the total cost of defence for 1950–1 would have exceeded Kr. 1,000 million, even if the speed of deliveries were not accelerated

ıe present recommendations: orders costing Kr. 800 million placed on 1 July—a week after the attack on South Korea. ıinly civil defence has not stood still in the last twelve months. second special course for instructors was held at Haparanda, ıe Finnish frontier, in mid-August, and comprised lectures, , and a practical exercise in the evacuation of different cate-s of civilians. The Minister of Defence and the Commander-ıief have both made forceful speeches to combat the wide-d rumour that the extreme North has been written off as ensible. Amateur and professional Western strategists have of ıe lent wings to defeatist conclusions in exposed parts of dinavia by doing sums, in the press, for hypothetical opposing ɜs. 'Ten days for Western Europe', the title given to extracts a memorandum by German generals, was in the foreground ıny minds before the Korean tide turned.

ıen Mr Churchill questioned the propriety of certain exports ar material in the House of Commons on 13 September, ıus Swedish inquiries were made about some eighty Vampire-airplane bodies being built under contract by de Havilland motors are being made in Sweden on licence). The Foreign ɜ assurance that the contract would be fulfilled was given r more prominence in at least two Stockholm newspapers the appeal to Sweden and Switzerland by Stanley Evans, ur M.P., earlier in the rearmament debate, to abandon their ality and join in sending troops to defend South Korea.

fact quite a number of Swedes were keen to fight. At the ıning of August, Erland Gàrde, who had served as a volunteer the Norwegians during the war, wrote to the Ministry of gn Affairs suggesting the organization of a Swedish contin-as part of a Scandinavian volunteer corps, and *The Times* re-d on 22 August that Sten Bertil Harding, a war-time mem-ıf the Norwegian resistance movement and now an Åmål ɜr, was forming a corps of volunteers for service with the forces. Some hundreds of volunteers are said to have applied estern representatives in Sweden, receiving the reply that officially sponsored national groups are acceptable. The ıish Government's view is that men of military value are red at home, especially now; but there are no doubt other s of inhibition. When the Minister of Defence, Allan Vougt, ɜssed the 176 members of the field hospital before their de-re for Korea, he described their contribution as 'fully in line

with Swedish tradition, which has chiefly been based on humanitarian help' (25 August). The vice-president of the Swedish Red Cross pointed out that this, their twelfth field hospital to go abroad, is the first to receive State support. Equipment has been rapidly acquired en route, in the U.S.A. and Japan, and before the end of September, two days after landing at Fusan, the unit took charge of its first hundred patients. Dr Carl-Erik Groth of the Swedish Medical Board is in charge, and has agreed to reorganize the field unit into a stationary hospital, to care for far more patients than the 200 originally contemplated. In Stockholm many Swedish volunteers for the unit, which includes women nurses, had to be turned away.

In recent months attention has been periodically focused on Sweden's relations with the U.S.S.R. by the detention of fishing vessels in the Baltic and the Swedish and Danish notification to Moscow, of 25 July, that the Russian claim to a twelve-mile limit of territorial waters is not recognized[1]. The Soviet naval attaché was also 'officially rebuked' on 21 August for taking photographs in prohibited passages off the Swedish coast, when exhaustive local investigations were completed, and a Soviet note accused the Swedish authorities of illegally imprisoning a Latvian called W. Vilkans, whom the Swedish Government declares itself unable to trace. Finally there was the 'mushroom-picking' near the September manoeuvres which two members of the Soviet Embassy carried out in a diplomatic car. The Swedish Government has since twice requested their recall.

Trade with Poland is important, since Sweden needs coal, and the irritation aroused by repeated arrests of Swedish seamen at Gdynia is considered a regrettable impediment to smooth relations. But on the whole, in the case of Poland, the 'iron curtain' resembles rather a stout wire netting: Swedes not infrequently make business visits to Poland, and Polish representatives in Sweden seem to have somewhat wider social contacts than do the Russian.

As a safeguard against wishful thinking from the West, a summary of Swedish opinion in the autumn of 1950 must still emphasize the continuity of policy and outlook, and, above all, of national pride and unity in the face of outside criticism. 'Neutrality' is a topic seldom mentioned in conversation with a foreigner and not willingly pursued, beyond a few vague references to Finland,

[1] The Soviet Government reiterated its claim on 31 August.

ed on the foreigner's initiative; indeed it is almost as rarely ssed among Swedes themselves. They acknowledge readily, ational characteristic, a lack of interest in international affairs. : is also a trait in Swedish social life which brings it closer, ps, than any other national form to the idiom of the older nacy. Swedes tend to assume that the less one speaks of asant things, the fewer unpleasant things will happen. The 'y escapist holiday visitor from England is profoundly grate- r this atmosphere, of fine and ancient vintage, in which every- is for the best in the best of all possible worlds. But some of en's friends fear that generations of peace have allowed the ct of self-preservation to atrophy.

the conscientious observer from the West may easily stress the immutability of isolationism, forgetting that no ıal political figure has given a lead in any other direction, or sed clear alternatives in terms of principle. 'Moral issues are ted afterwards' is a typical verdict on what is regarded as the ology of 'Great Power' wars. An example quoted to the writer ritish military aid to Greece in 1941, commonly described as a le, but now known to have been planned in the face of strong vings in the Greek Army and Government.[1] The Swedish paper editors and military experts who urge a more active ' are often discounted as presenting a purely professional of view, for it is shrewdly realized that they do not share the cal responsibility for any unforeseen consequences of the ı they recommend. The lack of authoritative pronounce- s by statesmen in the West is attributed to tacit approval, ' based on military weakness. Sweden is therefore well con- o remain a 'middle kingdom' rather than become the Baltic

E. J. L.

r the relation of this factor to others, see Winston S. Churchill, *The Second War*, Vol. III, 'The Grand Alliance', pp. 17, 64–69, 85–94.

The European Payments Union

A Step Towards Economic Integration

A MEMORANDUM embodying proposals for a European Payments Union was approved on 7 July 1950 by the Organization for European Economic Co-operation, and the agreement was signed on 19 September. This European Payments Union, which began operations retrospectively as from 1 July 1950, is an elaboration and refinement of the Intra-European Payments Schemes which were described in the March and August 1949 issues of *The World Today*. It may be recalled here that the first Intra-European Payments Scheme was launched as an integral part of the Marshall Plan and was designed to make Marshall Aid effective, to meet the deficits which the recipient countries were running, not only with the Western Hemisphere, or dollar countries, but among themselves. In its first version this scheme was of extremely rigid and strictly bilateral character. Contributions and drawing rights were established on the basis of estimates of the balance of payments between each pair of countries; these drawing rights were not subject to revision and were not transferable. As a result trade within Europe tended to be forced into the strait-jacket set by estimates, subject, as all estimates are, to human error. For all its defects, this first version of the Intra-European Payments Scheme, which began to operate as from 30 June 1948, succeeded in rescuing trade within Europe from the stranglehold of the strictly bilateral payments agreements on which it had been previously based.

The second version of the Scheme, which came into effect on 30 June 1949, went some way to correct the more glaring shortcomings of the first. In particular, it made the drawing rights established under the scheme transferable up to 25 per cent. This meant that, to this extent at least, the countries holding these drawing rights could choose where they were to be spent within the group of O.E.E.C. countries. Some element of competition could thus be reintroduced into intra-European trade. The qualities of this second version of the Payments Scheme scarcely had time to manifest themselves, for within three months of its coming into operation it was overtaken and overwhelmed by the currency devaluations of September 1949. These made complete nonsense of the estimates of intra-European balances of payments on which

;cond scheme had been based. The devaluations did much than that. By removing some of the distortions and artificiali-f price and cost structures within Europe, they opened a to a much more fundamental revision of the machinery for ng intra-European payments. After long and, at times, nely difficult negotiations, agreement on this revision was ;d and the European Payments Union put into operation pectively as from 30 June 1950.

; European Payments Union is an organ of the O.E.E.C., provisionally at least, its duration is limited to that of the iall Plan. It is thus expected to come to an end on 30 June although hopes are entertained that it may by then be found ile to dovetail it into a more permanent international pay- mechanism. The object of E.P.U. is to promote the flow of European trade by establishing a more or less automatic 1 by which each country is able to settle its current payments he other members. The chief characteristic of E.P.U., and iain point of contrast between it and the preceding intra- ıean Payments Scheme, is its multilateral aspect. This ateral character makes it possible for any member country : its surplus with another member in order to finance its with a third. The intention is that every country must be in tion to ignore its balance of payments with each individual ıer and to concentrate solely on its balance with the group as le.

; mechanism which has been chosen to achieve this objective ws all that was good, and all the experience of technical iistration, from the previous Intra-European Payments ıe as administered for the Bank for International Settle- in Basle. It also bears distinct traces of inspiration from the ord Keynes's war-time proposals for an International ng Union. E.P.U. is a kind of clearing house in which the s and surpluses arising out of intra-European trade, together he trade of the vast currency areas linked with European ries, can be compensated at set intervals—every two months e remainder of 1950, every month thereafter. E.P.U., how- is more than a mere clearing house. It combines with that on the work of a Central Bank in that it gives credit and s deposits from its member countries. The resources of . are fixed by the quotas allocated to each member. These follows:

Country	Quota (Equivalent in millions of units of account)	Individual Quotas as percentage of Total Quotas
Austria	70	1·8
Belgium/Luxemburg	360	9·1
Denmark	195	4·9
France	520	13·2
Germany	320	8·1
Greece	45	1·1
Iceland	15	0·4
Italy	205	5·2
Netherlands	330	8·3
Norway	200	5·0
Portugal	70	1·8
Sweden	260	6·6
Switzerland	250	6 3
Turkey	50	1·3
Sterling area (excluding Iceland)	1,060	26 9
	3,950	100·0

These figures, and all book-keeping transactions of E.P.U., are expressed in terms of a unit of account equal to 0·888671 grammes of fine gold, which is the present equivalent of the United States dollar. Each member has received from E.P.U. a line of credit equal to 60 per cent of its quota, and, conversely, each member is prepared to grant an equal line of credit to E.P.U. In addition, the resources available to some member countries, which are expected to be in substantial debit over the next year, and the contributions required from others which are expected to be in credit, have been increased by certain initial positions of which the main items are as follows:

INITIAL CREDIT POSITIONS

Country	Amount
	(millions of units of account)
Austria	80
Greece	115
Iceland	4
Netherlands	30
Norway	Between 40 and 70
Turkey	25
Total	Between 294 and 324

INITIAL DEBIT POSITIONS

Country	Amount
Belgium and Luxemburg	*
Sweden	†
U.K.	150
Total	150 + ? 80

* Half of Marshall Aid allotment to Belgium for 1950–51
† Equal to whole Marshall Aid allotment to Sweden to 1950–51

ese initial positions are the handicaps with which the coun- egin the race. The countries, such as Great Britain, which ndicapped by an initial debit are due to receive conditional .. dollars to the extent that their surpluses with E.P.U. are ed out of these debits or contributions.

ore describing how these resources are applied, it should be clear that the European Payments Union does not in any ome into direct contact with individual traders or com- l banks. Its dealings are exclusively with the Central Banks of ember countries. Its unit is purely a unit of account. It does t hold the germ of a European currency. Intra-European in fact continues to be financed as before, and national cur- s retain their existing independence and autonomy; thus gh the advent of E.P.U. may cause the countries concerned x their exchange controls with one another, for the moment controls remain. They are wholly compatible with the ishment of the European Payments Union, provided they plied without discrimination within the group of member ries.

Central Banks of all the member countries have under- to accumulate between the periodic clearings the currencies other countries which are offered to them in the normal of current trade. It is these balances which are to be thrown e periodic clearings of the European Payments Union. The f these clearings covered the three months July to September year. In order to avoid the clearing being cluttered up with es of their respective currencies accumulated before e 1950, it is provided in the E.P.U. Agreement that, when- ne of the parties so desires, bilateral agreements may be to immobilize and gradually repay debts outstanding when . came into effect, i.e., on 30 June. In fact, such agreements een negotiated by Great Britain with, among others, Italy rance, which had substantial sterling balances, and, on the side of the account, with Denmark, which was considerably ed to Britain through a substantial holding of Danish r by the Bank of England.

the end of every period for which a clearing will take place l be every month as from the end of this year), the Central of each member country will inform the Bank for Inter- al Settlements of the balances standing in the accounts d in its books in the names of the Central Banks of the other

member countries. On the basis of this information and of the information supplied for previous periods, the B.I.S. will then calculate in units of account the net deficit or surplus of each member towards all the others. On the basis of the net positions calculated in this way, the B.I.S. will then determine how these net surpluses or deficits are to be financed, how much is to be covered by credit to or from E.P.U., and how much is to be settled in gold. This calculation will be made on the basis of a sliding scale fixed in the agreement. When the net positions show deficits or surpluses they will be settled as follows:

	DEBTORS		CREDITORS	
Per cent of Quota	*Use of Credit*	*Gold Payments*	*Use of Credit*	*Gold receipts*
20	20	nil	20	nil
20	16	4	10	10
20	12	8	10	10
20	8	12	10	10
20	4	16	10	10
100	60	40	60	40

To illustrate the mechanism and also the application of the cumulative principle on which E.P.U. is to work, let us take as an example country X, with a quota of 150 million units, of which 60 per cent, or 90 million units, will be available in credits, and 40 per cent, or 60 million, in gold. If at the first settlement this country has a surplus with E.P.U. of 30 million units, which is 20 per cent of its quota, it will accumulate that as a balance with E.P.U., in other words, it will give credit of 30 million to E.P.U. without receiving any gold. If at the end of the next period of accounting this surplus has risen on a cumulative basis to 60 million units, it will give a further credit of 15 million to E.P.U. and receive a gold payment of 15 million from E.P.U. Let us assume now that in the third accounting period a deficit of 30 million units had been incurred, carrying the net cumulative position back to a total surplus of only 30 million units. In that case country X would have to repay the 15 million units of gold it had received from E.P.U. and its credit to E.P.U. would also be reduced by 15 million.

The same principle will apply in the settlement of deficits, though, as will be seen from the above table, the scale of gold payments in the case of debtor countries is not identical with that

plied to creditor countries. Nevertheless, the ultimate destina-n is the same. By the time 100 per cent of the quota has been ;d, whether on the credit or the debit side, 60 per cent will have ;n utilized in credit and 40 per cent will have taken the form of 'd payments either to or from E.P.U.

In spite of this identity of proportions payable by debtors and ditors, it does not by any means follow that in its initial months operation the gold payments into E.P.U. will be equal to gold yments out of E.P.U. It is quite conceivable that one country y be creditor to all the rest and may therefore reach its gold eipt point before any of the debtors have reached the point at ich they have to pay gold into E.P.U. In order to provide for s contingency, and in general to oil the wheels of the mechanism, Economic Co-operation Administration in Washington has dertaken to place between $350 million and $400 million in free lars at the disposal of E.P.U. as a working capital fund. These lars have been earmarked out of the current year's Marshall Aid propriation.

In the course of the long negotiations which led to the E.P.U. reement, one of the main hurdles that had to be overcome, and surmounting which Britain's representative showed the greatest uctance, was the proposal that E.P.U. should become the :lusive mechanism for settling intra-European surpluses and icits and that it should incorporate all existing bilateral pay-nts agreements. British objections were grounded on two con-tions. The first, of somewhat general character, was the fear t any such elevation of E.P.U. to an exclusive position in ancing intra-European trade might have detrimental effects on international payments system operated on the basis of ster-g. It was argued from the British side that many countries out-e the sterling area maintained sterling working balances in the mal course of business, and that it would be a serious threat to extremely efficient system of international finance if such rking balances had to be swept into the monthly settlements. :ondly, it was contended that if sterling balances held by mber countries prior to 30 June were to be made available for tlement, the result might be to convert debts owing to indi-ual countries by Britain, on which no gold payments were due, o debts owing to E.P.U. on which gold payments would become : at an early stage.

The British won the day on both points. First, it was agreed

that all participating countries shall have the right to enter into bilateral agreements with their partners by which one or both will agree to give the other credit outside the E.P.U. facilities. If one of them is in fact a creditor with E.P.U., he may give credit to his partner rather than to E.P.U. In other words, if Britain is a net creditor towards E.P.U. and is also in credit with Denmark, she may, if she so wishes, choose to hold her surplus with Denmark in Danish kroner rather than in E.P.U. units. Whether, however, credits are extended through E.P.U. or by these bilateral agreements, will be wholly immaterial in calculating the points at which gold payments will become due to the creditor and by the debtor.

In order to meet the second point raised by the British representatives, namely, to prevent the clearings being distorted by throwing into them accumulated resources, such as the substantial sterling balances held by Italy or France, it was agreed that bilateral agreements should be concluded for the funding and amortization of these outstanding debts. Such arrangements have in fact been made between many of the members. This provision in the agreement applies particularly to Britain, though in no case has Great Britain asked one of its creditors to agree to a formal funding arrangement. Nominally, therefore, all sterling balances outstanding on 30 June 1950 in the name of one of the members of E.P.U. may be used by the holders to settle their net deficits with E.P.U. The attendant risk of Great Britain being put into serious debit with E.P.U. and losing gold has been obliterated by a special arrangement under which the Economic Co-operation Administration has undertaken to underwrite with Marshall dollars all gold losses which Britain might suffer as a result of such utilization of accumulated sterling balances by other members.

The E.P.U. Agreement makes some provision for corrective measures if one member gets unduly in debit or credit. If a creditor accumulates a surplus greater than 75 per cent of its quota, the position is to be examined and appropriate action recommended. If the surplus rises to 100 per cent of the quota, other members may be allowed to discriminate against the excessive creditor in their commercial policy. Any member which is in special difficulties may be helped by the special Dollar Assistance Fund which will be set up by E.C.A. Any accumulation of a member's deficit beyond the amount of the quota will have to be settled fully in gold. Gold will thus act as a deterrent and incentive in intra-

ɔpean trade—a deterrent against piling up deficits, and an ntive to stimulate exports and build up surpluses.

.P.U. is a financial mechanism designed to ease the problem of nents within Europe and the currency areas attached to the ıber countries. It does so by the credits extended through U. and, above all, by breaking through the mesh of bilateral ements through which intra-European payments have had to · since the war. From now on, every member currency is ılly hard or soft to the member countries. These countries buy and sell in Europe where it best suits their purpose, ident that all surpluses and deficits within the group will be matically compensatory. The figure that matters is the net t or credit of each member with the rest of the group as a le, i.e. with E.P.U., and not the balance with each of the ɛn members.

'hile admitting the importance of these features of the new ɛm, the fact remains that it is no more than a piece of payments hanism. It would be rendered sterile unless the commercial ɔy of the member countries were appropriately adjusted. This has been recognized. Commercial policy has been so adjusted) be completely non-discriminatory as between members. All eding measures of discrimination based on payments diffi-es are being abandoned. Among these are the previous ex-ion of Belgium from measures to liberalize intra-European e. That exclusion was the outcome of fears by the countries ɔerned that they might lose gold to Belgium. Now those fears groundless. The only possibility of losing gold as a result of ı-European trade is to lose it to E.P.U., that is to say, to be in debit with the members of E.P.U. as a whole. Discrimination ld, therefore, be meaningless. With its abandonment there has ırted a constant source of friction and ill-feeling within Europe, nothing so mars the relations between friendly countries as mercial discrimination.

eyond the extension of this principle of equality of treatment, member countries have agreed to free a considerable part of r trade from the restrictions of import licensing. The propor-of their private trade thus 'liberalized' was increased from 50 ɔ per cent when E.P.U. came into operation, and the ratio is to ease further to 75 per cent at the end of this year. It should be ɛd that if a member country finds itself getting into serious nce of payments difficulties, it may reimpose restrictions on

imports and, with the consent of the Council of O.E.E.C., may even resort to discrimination.

It is far too early in the life of O.E.E.C. to pass verdict on it. The early compensations are likely to reveal unexpected difficulties arising out of the fact that Europe is not yet in that happy state of near-equilibrium in which the principles of automatic transferability of currencies and non-discrimination can be operated without reservation. One or two members, and Western Germany in particular, are still in a state of fundamental disequilibrium requiring special assistance rather than the marginal credit facilities provided under the E.P.U. Disregarding these rather special cases, it can be claimed that E.P.U. answers the present need to extend the area of automatic transferability of European currencies, without going the whole way of convertibility into all currencies, including the dollar. Here, then, is a scheme which has received American approval, and, further, which could not have been launched without American assistance, and yet which sets up a bloc of currencies transferable among themselves, but not convertible into dollars. On this evidence it can be claimed that the economic outlook and tolerance of the United States has travelled very far over the past few years.

Yet the final verdict on E.P.U. will depend on whether or not it will have been a step towards the ultimate goal of complete universal transferability of European currencies. If E.P.U. hardens into a bloc of countries discriminating against those outside the Union, it will not have lived up to the ideals invoked in its formation, or to the constructive American generosity that helped to bring it into being. It is, however, much too early to take any such jaundiced view of what promises to be a considerable advance towards European economic unity—indeed, the only substantial achievement that O.E.E.C. has yet to offer in the cause of the 'economic integration' of Europe.

P. B.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Volume VI No. 12 December 1950

*

Notes of the Month

t: Background to Invasion

IBET IS a religious State; it is estimated that one-sixth of the ılation are monks who live in three thousand monasteries ered throughout the country. The supreme head of Tibet is Dalai Lama, reputed to be a reincarnation of Chin-rezi, the l of Mercy and the patron deity of Tibet. The next highest ıa is the Panchen or Tashi Lama, who is believed to be the re-rnation of Chen-rezi's spiritual guide, and is therefore held by e Tibetans to be in fact the supreme ruler of the country. lry between the two factions is often acute.

was between about 1890 and 1914 that attempts were made to eve agreement on Tibet's temporal position and relations with neighbours. Tibet has always claimed to be independent, but been willing to acknowledge a special relationship with China, ondition that Tibetan autonomy was recognized in internal external affairs. China, on the other hand, has always claimed reignty over the country, maintaining that it is a province of ıa. When the Chinese were in a weak position following the Revolution, the Tibetans succeeded in forcing them from the ıtry, and since then Tibet has enjoyed *de facto* independence has opposed Chinese attempts to re-assert control. In 1913 a ference was held at Simla to settle the status of the country, and onvention was initialled by British, Chinese, and Tibetan gates, agreeing on frontiers between Tibet and China, and on etan autonomy under Chinese suzerainty. But this Convention never ratified by China, who refused to accept the proposed ıdary. Britain and Tibet also signed separate frontier and e agreements, and relations between the two countries became closer when Sir Charles Bell, who had been British Agent in et, Bhutan, and Sikkim since 1908, and had become a close ıd of the Dalai Lama, was made British Diplomatic Agent in

1920. In 1921 the Secretary of State for Foreign Affairs, Lord Curzon, informed the then Chinese Minister that the British Government did not feel justified in withholding any longer their recognition of the status of Tibet as an autonomous State under the suzerainty of China.

In 1933 the thirteenth Dalai Lama died in Lhasa; four years later the Panchen Lama, who had fled to China in 1923, died in Peking. No successor for the Dalai Lama was found till 1940, when a boy was discovered who possessed the necessary attributes to prove that he was the true reincarnation of Chen-rezi, and was installed in Lhasa as the fourteenth Dalai Lama. The finding of the new Panchen Lama has been even more difficult, and has complicated relations between Tibet and China in recent years. The Chinese supported the claims of a child discovered near the Chinese borders, where their influence is stronger. The Tibetan Government were prepared to consider his claims, but his followers demanded that he should be permitted to enter Tibet proper with a bodyguard of Chinese troops, to which the Tibetan Government would not agree.

In the summer of 1949 this boy was installed as Panchen Lama at Sining by the Chinese Nationalist Government, in retaliation for the expulsion of their mission and of Chinese residents from Lhasa and Sigatse in July 1949 by the Tibetan Government which was 'doubtful of their political affiliations'. He is now under the protection of the Chinese Communist Government, who in January 1950 set up a Provisional Tibetan Government in Ching-hai Province where there is a substantial Tibetan population. A treaty was signed between this Government and Peking by which Tibet was to be 'liberated', and the Chinese were to manage Tibet's external affairs and communications. At the same time, there were reports that 'goodwill missions' were to be sent from Lhasa to India, the United Kingdom, the United States, and Nepal; the Chinese Foreign Minister thereupon issued a statement declaring that, as Tibet is 'the territory of the Peoples' Republic of China', the Lhasa authorities had no right to send out any such missions, and any country receiving them would be regarded as 'harbouring hostile intentions towards the Peoples' Republic of China'.

In February a delegation left Lhasa for Hong Kong to discuss with the Chinese Communists the future of Tibet. The mission reached Calcutta at the beginning of April, but was refused per-

ssion to hold the conference in Hong Kong. After some months' lay, talks were held with the Chinese Ambassador in India, and 23 October the Tibetan Government was reported to have structed the delegation to proceed direct to Peking. The next y the Chinese Communists announced that their armies had en ordered to advance 'to free the three million Tibetans from perialist aggression'.

The Chinese invasion of Tibet came as a shock to India, and its ect on Indian hopes of friendship with China was considerable. a Note to Peking dated 26 October, the Indian Government pressed its 'deep regret that in spite of the friendly and dis-erested advice repeatedly rendered by it, the Chinese Govern-nt should have decided to seek a solution of the problems of its ations with Tibet by force instead of by the slower and more during method of peaceful approach'. In a Note dated 30 tober the Chinese Government insisted that Tibet was a purely mestic problem and that no foreign interference would be erated, and regretted that Indian policy should be affected 'foreign influences hostile to China in Tibet'. The Indian vernment, in a further Note, categorically repudiated this arge and declared that India had no political or territorial ambi-ns in that country, but was anxious to maintain its existing ablishments there, which did not in any way detract from Chin-: suzerainty. These establishments were the mission in Lhasa, d the trade agencies at Gyantse and Yatung which had passed to dian control on the transfer of power from Britain. The Chinese ly complained that the Tibetan Government, having recog-ed China's sovereign rights over Tibet, was seeking to prevent : Chinese from exercising them.

In the House of Commons on 6 November, Mr Ernest Davies, rliamentary Under-Secretary for Foreign Affairs, restated the itish Government's position, deplored the Chinese resort to ce and fully supported the stand taken by the Indian Govern-nt. The Tibetan Government has now appealed to the United tions to use their good offices to settle the dispute.

bellion in Nepal

NEPAL, in area 2,000 square miles less than England and Wales d with about one-eighth of their population ($5\frac{1}{2}$ million), is in uble. The prelude was given a few weeks ago with an unsuccess- attempt on the life of the Prime Minister, whose office ever

since 1846 has been hereditary in the 'Rana' family, the King standing to him in much the same relation as the Japanese Emperors once did to the Shoguns. By inaugurating a Constitution based on manhood suffrage and according civil rights to the people, in February 1948, the Prime Minister recognized that the feudal military regime needed modification in the light of the course of events in the Indian sub-continent. The activities of a Nepalese Congress Party, taking its cue from the Indian National Congress Party, have been stimulated by certain exiled dissidents who have kinship with the dominant Rana family. Although the founder of Buddhism was a Prince of a small state on the borders of Nepal, the prevailing religion is Hinduism, the Gurkhas claiming Rajput origin from Chitor; but the Buddhist minority is substantial.

The decision of the King to seek asylum in India gives Pandit Nehru's Government special embarrassment at this moment, when Chinese intentions in Tibet are a matter of considerable anxiety. With the present Government of Nepal—and that means the Prime Minister—both India and the United Kingdom have lately concluded treaties of friendship rendered necessary by the changes brought about by the transfer of power in India and Pakistan from British hands, and by the tripartite agreement whereby the Nepalese Government has permitted India and the United Kingdom respectively to engage Gurkha troops in their armies. Nepal has also a treaty of friendship with Tibet, dating from 1856. Under that treaty the Nepalese have extra-territorial rights, and their Government undertakes 'as far as it can' to go to the aid of Tibet if attacked by a foreign Power. For obvious reasons, the Prime Minister of Nepal has already told the Lhasa Government that he cannot help it in the present emergency. Indeed, that communication was the first sign of the new difficulties confronting him since the attempted assassination had failed. The Government of India are behaving with circumspection and correctness in adjuring their officials in Lucknow and Patna to endeavour to prevent support for the rebels in Nepal from going over the borders of Uttar Pradesh and Bihar—a task which would admittedly be impossible to perform completely, owing to the length of the frontier and its difficult terrain.

Nepal is mainly an agricultural country in the shadow of gigantic mountains. Communications are poor. The two main passes into Tibet are at 14,000 ft and 9,000 ft, and transport is still largely animal or man borne, except in the *terai* (low lying country) in the

ritory bordering on India, with which vehicular traffic is iintained. The standing army is about 50,000 strong. The high outation won by Gurkha troops in the armies of Great Britain d India give it much prestige. How it will emerge from this oellion, apparently led by a General of the Rana family, remains be seen. In the light of developments in Tibet there is ground · anxiety lest Nepal should be unable to solve its economic and litical problems without serious disturbances which might have happy repercussions for her neighbours. One thing is certain: both India and Great Britain the Nepalese have friends who ll do their best, within the diplomatic means allowed to them, encourage a settlement. But in the event of disagreement, the ue lies in the hands of the Nepalese themselves.

ited States Foreign Economic Policy: the Gray Report

Last March Senator Vandenberg, in a letter to Mr Paul Hoffin, the Economic Co-operation Administrator, proposed that a n-partisan Commission should be appointed (on the model of e Harriman Commission of 1947) to advise on the policy to be opted after the European Recovery Programme comes to an end 1952. President Truman adopted a modification of the prosal when he appointed an individual as Special Assistant to the esident to advise and to 'assist in co-ordinating and stimulating e activities of the various governmental agencies which can ntribute to the solution of the problem'. Mr Gordon Gray, iom he appointed on 31 March, was at the time retiring from e Cabinet post of Secretary for the Army. Nevertheless, Mr uman expressly stipulated that the task was above partisanship: am sure,' he wrote, 'that your approach to it will make this undantly clear.'

Mr Gray's Report, submitted to the President on 10 November, therefore to be understood as a step towards re-establishing the partisan foreign policy, which has been noticeably languishing consequence of Mr Vandenberg's prolonged absence from the nate through illness.

The European Recovery Programme had never been represented a measure of defence. But economic weakness means military akness, and the intimate relation between economic recovery d the restoration of war potential has undoubtedly afforded a eat part of the underlying justification for American aid to rope. The North Atlantic Treaty has followed up this concep-

tion: it provides not only for co-ordinating American and West European defence, but also for American assistance towards the equipment of the West European forces. The recommendations of the Gray Report are not for a simple prolongation of Marshall Aid beyond the statutory date, 30 June 1952. The assistance to the Western European countries is to be for their defence. But it is not to be limited to military equipment. Marshall Aid was not restricted to the supply of capital goods; the re-equipment of industry is being carried out mainly by the productive resources of the Western European nations themselves, and the imports procured by them under the Recovery Programme have been mainly consumption goods and materials. Similarly their defence effort will divert their productive resources from meeting their current needs, and the assistance recommended is to be as much for maintaining adequate consumption standards as for direct defence expenditure. In fact the assistance 'should be administered separately from aid in the form of military equipment shipped from the United States'. But the two categories of assistance would be governed by a single policy. European union is not forgotten. The aid should 'contribute to the fullest possible use of European resources, encourage intra-European trade, and help to integrate the European economic effort'. And, 'at least for the time being', a part of the dollar aid should continue to be allotted to the European Payments Union.

A recommendation recognizes 'the special importance of the pound sterling in world trade', and the increase in British military expenditure should be so contrived as to 'avoid seriously worsening the external position of the United Kingdom'. 'Stabilization credits to permit convertibility of currencies for current account, notably the pound sterling' are put up for consideration, but only when 'all requirements for convertibility with the exception of adequate reserves have been met'. Certain aspects of American policy (tariffs, customs procedure, Government purchases, subsidies and price supports, etc.), which tend to aggravate the dollar problem of other countries, are indicated for modification.

A substantial part of the Report is devoted to assistance to under-developed countries. It recommends that financial provision be made not only for technical assistance (Point 4 in President Truman's inaugural speech of January 1949) but for grants for development, and that the amount be raised from $150 million in the current year to $500 million a year.

Israel Today

The Price of Progress

)URING THE last year Israel has been facing an increasingly grave :onomic situation which culminated recently in the fall of Mr en Gurion's Government. The immediate cause was a disagree- ıent with the Right-wing religious elements of the coalition over ıe creation of a new Ministry of Trade and Industry, but the :cent sharp deterioration in the balance of payments position, and ublic dissatisfaction with rationing and other restrictions, had also 'eakened the Government's position.

At the root of Israel's immediate economic problems is the eady stream of immigrants who are taking advantage of the ;overnment's 'open door' policy. This has resulted in an urgent eed for foreign exchange, which at present cannot be met from ;rael's own resources. Since May 1948 the population has doubled nd an effort has had to be made to feed, clothe, house, and find nployment for 500,000 new immigrants. The cost of absorbing ıch new immigrant is about £600, half of which represents neces- ıry dollar expenditure. Foreign exchange has had to be found for ıpital imports with which to expand the country's economy and reate employment. The value of Israel's imports are currently bout eight times as great as her exports, and the balance has ırgely had to be made up from gifts and loans from abroad. The ow of gifts from World Jewry has decreased during the past year nd attempts to attract private investors to Israel have not been as ıccessful as had been hoped. The Government's efforts to keep a rip on the financial situation by an increasingly severe system of ıtioning and controls have met with growing criticism from the opulation, and the need to import capital rather than consumer oods and to create, by public works, employment for Israel's new opulation has increased the inflationary trends in the economy.

Although since May 1948 agricultural production has increased y about 65 per cent and industrial production by about 35 per ent, the rise in the population has been proportionately much reater, and domestic production is still quite insufficient for srael's needs. Prices and wages remain high in spite of Govern- ıent efforts to lower them. Public revenue is burdened by heavy efence expenditure, and the need to keep large numbers of young ıen and women in the army reduces the number of skilled workers

available. On the other hand a part of the military service period i spent working on the land, and through this means the Govern ment hopes to speed up agricultural development and at the sam time attract young people to agricultural work. Confidence in th present value of the Israel pound is shaky. Many Israel citizen have lived through the inflations after the first and second Worl Wars in Germany and other Central European countries and ar reluctant to hold what savings they have in notes. Recent rumour that the exhaustion of Israel's foreign exchange reserves woul shortly force the Government to devalue the Israel pound, couple with the sudden announcement of further rationing restrictions caused a run on the shops and panic buying of everything the pub lic could lay their hands on.

Rationing in Israel is already nearing the danger limit for healtl and efficiency, and is reminiscent of Great Britain during the wors years of the war. No one is starving, but the diet is monotonous an has that peculiarly synthetic quality which comes from the nee to use unsatisfactory substitutes instead of proper cooking in gredients. Meat is poor in quality and small in quantity; the aver age housewife receives about five ounces per week. Points are als required for meat meals in restaurants, and meat may not b served on certain days in the week. Butter is very nearly non existent and margarine very scarce. Fresh carp, which is bred i artificial lakes on the shores of Lake Tiberias, is allocated at th rate of about 150 grammes every two weeks. The staple diet is im ported frozen fish fillet, gherkins, and bread, which all remain un rationed. Milk is severely rationed and eked out with milk powder fruit and vegetables, which the country always had in abundance are scarce. A certain percentage was formerly imported fron neighbouring Arab countries; high wages have made fruit pickin uneconomic—figs and olives were left to rot in some places thi year; and the number of consumers has risen considerably. Wate melons and eggplant were freely available, and by the middle o October the fruit position was easing as the citrus season began.

When rationing was introduced in July 1949 it was accepted as necessary evil, but people did not perhaps fully realize that i would last for more than a comparatively short period and migh even become more severe, as has in fact proved the case. The publi has become increasingly exasperated, not so much by the fact tha the rations are small, as by the knowledge that there is no guarante that they will be honoured. The September sugar ration, fo

xample, had not been received by the middle of October, and jam or honey to use as substitutes were quite unavailable. During the hot summer months, housewives found the time wasted in queuing for rations and other food particularly hard to bear, especially when they are often turned away with empty baskets. Certain sections of the population, particularly in the big towns, have felt aggrieved at what they term the privileges accorded to members of *kibbutzim* and the Histadruth organizations who, they claim, are able to obtain extra rations. Rationing of clothing and leather came as another unpleasant shock in August 1950. The annual allocation per person is 85 points for clothing and 45 points for leather goods, but a jacket costs 103 and a new pair of shoes 50 points. Points must also be surrendered for shoe repairs at the rate of 7 points for soles and 2 points for heels.

This situation has left the door open for an alarming growth in the black market, which culminated recently in stringent powers being given to Mr Ben Gurion to counteract it. It is notoriously more difficult to unite a people during peace than in war, and, to this observer at least, much of the black market seems due less to a desire to profiteer from the country's critical food situation than to bad administration and distribution, a sense of grievance against the Government for allowing privileged ration categories, and individual indiscipline in the face of an acute food shortage.

Experts have recently estimated that Israel will require $1,500 million to finance immigration within the next three years. Mr Ben Gurion lately outlined a plan to raise this sum, proposing that one-third should be raised through internal loans in Israel and the rest abroad, principally in the United States, by means of loan bonds and free contributions. A programme to provide $1,000 million in the next three years has been adopted at the National Planning Conference for Israel and Jewish Rehabilitation held during November in Washington.

If this plan is realized it will do much to rescue Israel from her short-term economic crisis, but the emphasis on the cost and difficulties created by the free immigration policy has tended to obscure the basic deficiencies in Israel's economy. The former Jewish sections of Palestine were always largely supported by capital inflows induced by political and sentimental rather than commercial motives. Although Israel hopes to be more or less self-sufficient in foodstuffs by 1953, it is estimated that only about 20 per cent of the population will be employed on the land. Israel must

therefore depend on industrial development for future econom stability. There are few raw materials for basic industries, and eve raw materials for the new consumer industries must largely b imported. At present Israel's export industries find it difficult t compete with other countries because of high costs and low pr ductivity. While domestic production can hope within a reasonab time to provide sufficient goods for the home market to ease th import problem, the development of a specialized export indust based on the production of quality goods requiring comparative small raw material imports will need the introduction of larg scale capital and labour training schemes.

The implications of the deficiencies in the economy are only no being fully felt, for Israel took over from the Mandatory regime country well-stocked with goods, and the first waves of immigran brought considerable capital with them in the form of goods. Thi with the Export-Import Bank loan, sterling releases, and fun from the United Jewish Association, has tided the country ov for the last two years, but Israel's crying need is for further capit investment to put her basic economy on a sounder footing qui apart from the financial effort to absorb thousands of new imm grants.

The problem of encouraging capital investment also has political aspect. The Right-wing and Centre parties, in particul the General Zionists who by and large represent the business ar commercial interests, blame the Socialist policies of the Gover ment and the Socialist structure of the country for the lack interest or the discouragement shown by investors abroad. One the current jokes heard in Israel is that of the American wh inquired about the country's resources. When told that below th ground Israel possessed minerals such as copper, oil, and oth precious metals, and above ground Histadruth and Solel Boneh, h remarked that he would consider investing once the positions we reversed. The anti-Socialist parties are also of the opinion th State control involves too much bureaucracy, and that potenti investors have been discouraged by unco-operative officials or en less red tape. The Government has recently made concessions these views by passing through the Knesset (the Israel Parliamen a law for the encouragement of private investors, which gran them important customs and tax exemptions and the right export an annual 10 per cent of the capital invested in the origin currency. Other liberalization measures are the sale of urb

overnment land to private purchasers who undertake building or ıy in foreign currency, and the lifting of the ban on imports withıt payment.

The middle classes, in particular the business communities, are pecially distrustful of the Government's intentions regarding cialization. They also suspect Government discrimination ;ainst them in favour of the collective and co-operative sections the community. Whether rightly or wrongly, private business els that it comes out badly in the allocation of licences and aterials. There is a widespread fear that it is part of the Governent's policy to squeeze the private concern out of business. The cent shopkeepers' strike was an expression of the frustration and ssatisfaction felt by the business community.

The conflict between State control and private enterprise in rael is complicated by the curious structure and position of ıstadruth, which is far more than a Trade Union in the accepted nse of the word. Histadruth is also the owner, or part-owner on a -operative basis, of a large number of concerns which now nploy over 100,000 wage earners. Solel Boneh, Histadruth's ıilding and civil engineering company, increased its labour force om 13,000 in 1949 to 30,000 in 1950. At the 65th Session of the ouncil of Histadruth it was announced that new projected enterises included factories for the manufacture of glass, cement, ireless and telephone equipment, steel and cement pipes, electric otors, paper textiles, and the extraction of sugar from beet. istadruth also has its own medical and welfare services. Comunal and co-operative enterprises have a long tradition in Israel, ıt certain sections of the community view with concern the conntration of so much of the country's industries and public serces in the hands, not of the State as a whole, but of a particular ganization. The fact that the Mapai Party is the strongest force oth in the Government and in Histadruth has tended to strength- the feeling among private business men that the Government is scriminating against them in favour of Histadruth enterprises. istadruth's dual role, as an employer of labour and guardian of e workers' interests and standards of living, also adds to the fficulty of solving the problem of Israel's abnormally high wage tes. The wages of industrial workers have risen at least eightld in the last ten years, not including social benefits, which would ırther increase them by some 25 per cent, while wages of prossional workers, on the other hand, have risen only some five

times. The fact that these large-scale co-operative concern afford to start uneconomic enterprises where private bu would not venture has obvious advantages in a country economic development is so badly required, but some Israel doubtful as to whether this is a sound financial basis fo country's economy.

The Mapai Party, which, though it is the strongest elem the Government, has no clear majority in the Knesset, forr coalition Government with certain of the religious pa Attempts by Mr Ben Gurion to broaden the basis of the coa towards both right and left have failed. This rather uneasy all between the moderate Socialist party and the religious grour complicated various political issues involving the underlying tions of Church and State in Israel. The Mapai Party has various concessions to the Orthodox Parties on religious ma but the latent conflict also affects such important questions as cation and the Constitution.

At present Israel has four types of school—the Mizrachi (O dox), Agudah (Ultra-Orthodox), Histadruth, and General sch which roughly correspond to the various political parties i country. The huge influx of immigrants, many of them Orth Jews from the East, has brought the question into the lime as the various parties have competed with each other to a the newcomers' children to their particular schools. With so an increase in the population, the type of education chosen h obvious influence on the future political structure of the cou Each parent has the right to choose to which school he will his children, but when a large number of the parents are illiterate or at least politically uneducated, the various inducen offered by the parties can have an incalculable effect. Both religious groups and the non-Socialist parties have accusec Mapai Party of attempting to retain power by gaining contr the country's educational system, and certainly a conside percentage of the immigrant children attend Histadruth sch How far the accusation is true is quite another matter.

The question of Israel's Constitution also involves the co between Church and State. Here again the minority anti-Soc sections of the community view the Mapai Party's oppositior written Constitution as a political move to retain power for as as possible, and as an undemocratic method of breeding insec in any possible opposition forces. On the other hand, Ma

position is complicated by the views of the Orthodox groups on a future Constitution. The Religious Bloc, while professing agreement with the Government's internal and external policy, insists on religion as the foundation of the State and its institutions. The ultra-orthodox members of the group wish to make Israel a full theocracy, with the Torah as its only Constitution and the Mosaic Law as its only legal system. Both sides of the coalition have at present agreed to defer this controversy until a later date, but it will continue to remain a question of some importance on which the number of new immigrants which can be attracted to either side has considerable bearing.

In spite of the severe economic and political difficulties, the Government has held, at least in principle, to its policy of free immigration. As economic conditions have deteriorated, certain sections of the population have questioned the wisdom of bringing in so many people in so short a space of time if the result is going to mean economic ruin for the country, and in fact last year the Government was forced to issue instructions that the rate of immigration should be slowed down. Many of the older established inhabitants are inclined to blame the new immigrants for their present burdens, and there is evidence of a certain feeling that the newcomers are not of the same calibre as in the early days.

Many people, too, accuse the Government of inducing people to come to Israel by giving a falsely rosy picture of life there. These complaints have a certain justice, for the immigrants themselves, on finding that life in Israel means hard work, often in unpleasant and primitive living conditions, are sometimes deeply disillusioned. Many of them have spent years in concentration or D.P. camps and are disinclined to return to a normal working life, especially on the land. But on the whole the Government's view that it is the duty of Israel to give a refuge to any Jew, especially from 'iron curtain' countries or from hostile Arab lands, before it is too late, is widely realized and upheld.

The influx of Yemenites and other Eastern Jews, who now form about one-third of the population, has also created problems. While the Yemenites in particular have proved themselves a hard working, well-liked, and respected group in the community, there is very little contact either socially or materially between them and the European Jews. These differences may create a type of 'colour problem' for some years, but most Israelis are confident that they can be assimilated within one or two generations. Great efforts are

being made to reach the children, and the effects can alreac seen, at least superficially. It is quite common to see a Yem family, mother and father in traditional Eastern dress, with a boy clad in khaki shirt, shorts, and sandals. The army, too, is l used as a means of integration. Every immigrant of suitabl must do his or her period of military service, and attempt being made through language and citizenship classes to hel newcomers to feel real members of their new country.

Israel's many economic and political problems are apt to ob the real progress that has been made during the thirty mont the State's existence. The whole atmosphere of the country i of reconstruction and pioneering effort, and signs of develop are visible everywhere. The face of the countryside changes amazing speed; new villages and settlements seem to sprin week by week, new trees are planted and new factories l Building activity is tremendous both in the towns, where houses and blocks of flats are being erected as fast as possible throughout the country, where groups of one- or two-roomed tages are being built as quickly as land can be made read cultivation. Many of the *kibbutzim*, or communal settlem which suffered severe damage during the war, have been re and extended and more and more land is being brought under gation. Big stretches of land on the boulder-strewn Galilean have been cleared and are now ploughed ready for cultivati the spring, and the orange groves and fruit plantations v suffered heavy damage during the war are gradually recove Trees are being planted wherever possible to give shade moisture, a laborious and heartbreaking job in many parts o country. Every day a group of men with a water wagon d slowly along the Tel Aviv-Haifa road tending and waterin young eucalyptus trees which have been planted in three rov either side.

As part of the four-year development plan the Government to spend between $500–700 million on agricultural expan 60,000 families are to be settled on the land, and already a settlement plan has been announced to transform 20,000 immi families into self-supporting farmers in the hills of Galilee an Jerusalem area. This plan has a three-fold aim: to get as i immigrants as possible away from the demoralizing conditio the camps; to make some thousands of acres of barren hill co productive; and to provide a net-work of strategic settlemen

make these exposed areas more capable of defence in case of any future attack. Four thousand families have already been transferred to the hill colonies, and the figure is expected to reach five thousand by the end of next year. The new settlements on the road to Jerusalem are particularly attractive, for the houses have been built of brown wood on a chalet design and fit into the mountain scenery very well.

Roads are being repaired and widened wherever possible to take the greater weight of traffic. Large stretches of the road to Jerusalem have been completely remade. It was interesting to see that burnt-out tanks and lorries had been left at intervals along the roadside as a constant and grim reminder of what had been and might be again. Train services between Tel Aviv and Haifa have been reopened, and Israel has also expanded her fishing fleet and merchant marine. New industrial centres are springing up, especially in Ramat Gan, Natanya, and Haifa Bay, where new factories and workers' houses are being built on either side of the road to Acre. Many new industries have been started or are being planned, including, amongst others, a cardboard factory, a metal stamping plant, a cement factory, a refrigerator factory, a rubber factory, and a vehicle assembly plant.

The visitor to Israel cannot fail to be impressed by the contrasts the country offers. The swift changes from desert to irrigated fields and orange groves on the Tel Aviv-Haifa road; the drive from the sub-tropical heat of Tiberias to the bracing mountain air of Canaan and Safad; the character of the three main towns—Jerusalem traditional and dignified, Tel Aviv bustling and aggressive, and Haifa the solid Bürgerstadt; the luxury hotels, and nearby the dark green tents of the immigrants' camps; the large American cars and the little brown donkeys on the same narrow road; the Orthodox sects in their long black sateen coats and broad fur-brimmed hats, and the young people in open-necked shirts and flannels; all these are part of Israel, and visible signs of the many problems she must face. The new administration is creaky, the communications systems are overworked and overburdened, grumbling is open and extremely vocal, but in spite of all these difficulties there is little sign of real unhappiness. Few Israel citizens, even among the new immigrants, would consider going back to where they came from, and to the young people the difficulties of the present are a worthwhile challenge to their ideals and pioneering spirit. The older inhabitants who have already been

through much during the past decades may seem jaded inclined to hand on the work of building up the country tc younger and newer generation, but there is no doubt that in event of any real danger Israel represents to them a haven t defended at all costs. Most grumbling and criticism ends wi wry smile and the remark: 'We have waited thousands of year our State, we must wait a little longer before it works.' In spi the many contrasts and different ingredients which go to mak Israel, the population is united in the need to make good. As of them said, 'We have no alternative'.

D.

New Zealand

The Political and Economic Picture

JUST over a year ago New Zealand turned out a Labour Gov ment which in fourteen years of office had established social vices which are in many ways the most advanced in the w(With its nationalization programme, it had pioneered what become known as the Welfare State.

The National Party went to the Government benches on a p(not unlike that of the Conservatives in Britain—fewer cont more houses, and wider scope for private enterprise. It did challenge the fundamental framework of the Welfare State, favoured a policy of trying to make it work with less Gov mental control. It accepted nationalization so far as it had goı except in the one instance of airways—and decided on the ir esting experiment of seeing how private enterprise could com with nationalization.

Labour had come into power in 1935 with a majority of tl which, in a house of eighty members, was overwhelming. party lost a little ground in each of the three subsequent elect until, in 1946, it divided the European seats equally with National Opposition and relied on four representatives of Maoris to keep it in office.

In addition to the general feeling that Labour had had a very good innings, the pendulum of the last election swung against the Government all the more easily because its programme seemed to be exhausted. To many people the impetus behind it appeared to have petered out, it offered little new, and rested on its laurels. The Opposition concentrated very successfully on the rigidity of Labour's controls and the cramping effect on personal initiative of too much reliance on State direction.

The Opposition could not complain that production or personal income had suffered, because both, in a developing Dominion, were rising steadily—indeed, the national income in the year ended 31 March 1950 jumped by 13 per cent. But the taxpayer, in various ways, was contributing sums amounting to about one-third of this national income.

That was one of the reasons why New Zealanders were disappointed with the last Labour Budget, and by the remarks of the then Finance Minister, Mr Walter Nash, who told them: 'There is no way of reducing taxation very substantially unless by cutting social services and reducing the number of civil servants. The Government will do neither." And it did not please the housewife, who had hoped to see more money available for every-day goods and some easing in the cost of living.

The National Opposition offered pledges to lower the cost of living by adjustment of taxation. It has certainly made adjustments, but, in common with most other Dominion Governments, it has seen its hopes of halting the rise in prices dashed by world developments over which it had no control. And in New Zealand the tendency to rise has been aggravated by the Government's removal of food subsidies.

When the new Prime Minister, Mr Holland, assumed office, he warned the people that New Zealand was reaching a stage at which, because of soaring costs, even absolutely essential amenities were beginning to be beyond the country's reach. More was being spent overseas than was being earned overseas; more was being spent internally than was coming in from the people by taxation and borrowing; and if currency and credit were inflated during the next three years to anything like the same degree as during the last three, there would be serious difficulties.

Nine months later Mr Holland was able to say that although the rising cost of living was still 'the main headache', the Government had won its battle against inflation, balanced its Budget, and met

its overseas debt and dollar commitments without usi penny of funds from the Reserve Bank (the State bank con in 1933 to control monetary circulation and credit in the] ion). But the Government's promise to make the pound go had been given on the basis of the situation at the end of 19. Government had been unexpectedly confronted with the war which had sent prices soaring, created a demand for g short supply, and resulted in stockpiling.

THE POLICY OF THE NEW GOVERNMENT

The new Government was able to set about doing mucl had promised in its election appeal. It abolished many conti removed import restrictions on more than 300 items. It i or released control on prices, land sales, and building privately owned overseas funds and securities; and d butter and petrol rationing. Principal decrease in expendit been a reduction of subsidies on food, coal, and railway frei which the Government hopes to save £12 million this fi year. Chief increases are £7 million for defence—whi demanded a much greater drain on resources because of East Asian plans and Korean commitments—and £5 mil social services. The Government realized there would be a amount of hardship from price increases after subsidies ha removed, so it agreed to raise both social security bene pensions by a cost of living allowance of 2s. 6d. a weel sounded very well, but it did not do much to compens housewife for the quick jump in prices. General groceries meat, fish, fruit, vegetables—as well as clothing and fu risen in cost and show no sign of being stabilized. The Fec of Labour was quick to seize what it considered a legitim for a wage rise, and applied to the Arbitration Court for a order granting an increase of £2 5s. 0d. a week, or 1s. 3d. a on all wages paid under the terms of an award of the cc recent years 'blanket' wage increases have been granted Court by way of standard wage pronouncements. The ne if approved, would give skilled workers 5s. 2d. an ho unskilled workers 4s. 8d. On the basis of New Zealand's for week this would be £10 6s. 8d. and £9 6s. 8d.

The Government gave an early indication of its plans courage private ownership. It decided to withdraw con from operating internal airlines services and to offer the N

Airways Corporation for sale to private ownership. This was a State-run company which started operations in 1947. Last year it showed a loss of £328,000.

HOUSING AND NATIONAL HEALTH SERVICE

Under the new regime the Dominion's Legislative Council, or non-elective Upper House, is to be abolished, and a Bill for this purpose has been passed by Parliament. From 1 January next, New Zealand will have a single chamber legislature for the first time since 1854, when representative government was instituted. The Nationalists have also reversed Labour's policy on State houses; now any tenant who wants to buy can do so at prices based on current replacement values. He has the encouragement of getting a 10 per cent cut in price, plus 5 per cent more if he buys outright for cash. Sixteen hundred tenants immediately started to buy their homes.

The Nationalists have always favoured capital punishment, and they want it restored, as well as having corporal punishment for serious cases. This is a most contentious subject in the Dominion; it will be decided by a free vote in Parliament.

Serious attention, too, is being given to legislating for a Constitution for New Zealand, but there are plenty of difficulties in the way and not many applicable examples to follow. New Zealand differs from Australia, the United States, and Canada, where there are Federal Constitutions. In these countries the conflicting powers of Federal or Commonwealth Parliaments had to be sorted out from the rights of State or provincial legislatures; in New Zealand's unitary Constitution there is no such need.

One thing the new Government may soon have to face is a review of the national health service instituted by its predecessors. Over the last ten years the proportion of national income spent on social services has risen from 9 to 16 per cent, and the costs now absorb about half the revenue from taxation. Indeed, the health service—started seven years before Britain's—is costing the country so much that leading medical men in the Dominion have openly expressed misgivings about continuing it. The figures are illuminating. General medical services in the past two years cost over £2,250,000 for a population of under two million. Free medicine cost over £2 million, and more than 7 million prescriptions were handed out at an average cost of 5s. 7½d. a person.

On the financial side, the new Government made an important

change in the administration of the Reserve Bank. It pass transferring control of the bank from the Governmen person of the Finance Minister, to Parliament. Such pow hands of an individual had been a source of criticism fo time. Incidentally, New Zealand is one of the few countri has not revalued its gold holding. The Reserve Bank has gold holding nest-egg of £4 million ready for any sudden e emergency. And on present market values this should b £10 million.

IMMIGRATION AND DEFENCE

To help meet a serious labour shortage, New Zealand barked on an ambitious immigration programme whic moment her kith and kin in Britain are doing much to as Government has set its aim at bringing in 7,500 persons a the next two years, and after that 10,000 annually. thousand Government-sponsored immigrants went to N land in the past three years, and by the end of June this ye young single men and women had become new settlers u scheme for free and assisted passages. They were all from but New Zealand has just signed an agreement with th Government which provides, in the first year of its opera a further 2,000 settlers from Holland. For these newcom are more than 30,000 jobs waiting. Unemployment is at a ably low figure, and for many months has not exceeded t October last year it went down to twenty-one.

Like most countries eager for immigrants, New Zealan from a housing shortage. She is bound by a 40-hour-wee puts a brake on output. To increase the labour force in the industry the Government has extended the immigratio forty-five in order to obtain more skilled workers.

In foreign affairs New Zealand is free to take an inde view, though to a great extent she follows Britain's le refusal to recognize the Peking Government is one of occasions on which she has not done so. She is a strong s of the United Nations, and as such immediately offered a v artillery unit of 1,000 men to join the British Comm Brigade in Korea. Her concern in Pacific affairs is paramount, and her spokesman was the first to urge the fo of a Pacific Pact at the Colombo talks on South-East As Australia, New Zealand believes that the Japanese peac

should be drafted by all the belligerents and not, as Russia claims, by herself, Britain, the United States, and China only. Foreign policy is backed up by service arms, which are compulsorily trained. Earlier this year New Zealand was visited by the Chief of the Imperial General Staff, Field-Marshal Sir William Slim, and the Inspector-General of the Royal Air Force, Air Chief Marshal Sir Hugh Saunders.

THE ECONOMIC POSITION

As an agricultural country whose income depends on her primary products, New Zealand has lately had a series of not entirely amicable discussions with the British Government on meat and dairy produce. The Dominion sought an increase in price. This the British Government was unwilling to give, and although on meat, at least, the Food Ministry has agreed to reopen talks, the failure of the negotiations has led New Zealand farmers to urge their Government to explore seriously other markets than Britain. There is no doubt that the refusal to pay more has caused hard feelings. There is an impression that New Zealand's contribution towards keeping up British wartime butter rations for so long has not been adequately recognized, and a feeling that the Ministry has not given sufficiently sympathetic consideration to the increased cost of production in New Zealand. Dairy farmers, who wanted 7½ per cent more, resented being told that they did not need a price increase, that they had been making a good profit, and that even the last rise in price had not been warranted because the money had been placed to reserve. New Zealanders felt that they were being penalized for being thrifty. They considered that they had a good case, based both on the increased cost of production and on the wide disparity between prices paid to New Zealand and other suppliers. Meanwhile, the two countries are working to a bulk purchase agreement under which, since 1947, New Zealand has sent 97 per cent of her surplus butter and cheese to Britain. The 3 per cent 'tolerance' was allowed to enable New Zealand to retain a foothold in other overseas markets. The only satisfaction she obtained in the recent talks was to have this 'tolerance' increased to 7½ per cent so that she could cover any loss on exports to Britain. She will still sell new season's butter and cheese at last year's prices but she has the right to raise the price question at any time. On the other hand, Britain can raise the question of what percentage of these products New Zealand withholds for sale to other countries.

Farmers point out significantly that sales of produce last sea forty countries outside the United Kingdom brought in £5 more than the equivalent British price, and earned 3½ 1 dollars, plus some other hard currency.

Neither do the producers like their treatment over meat At the moment all but 1½ per cent of New Zealand's surplu is sold to Britain. Under a seven-year bulk purchase contra New Zealand Labour Government agreed to increase meat p tion by 55,000 tons and dairy production by 20 per cent, anc the National Party took office it appointed an advisory comm try to speed up this work. It is going to mean an increase of cent in the Dominion's flocks and herds, as well as the cult of four million more acres of first-class land. With such a bi gramme ahead, Britain's reluctance to give better prices much disappointment to the men who will have to carry c work.

Prompted by the farmers' case, the New Zealand Mea ducers' Board is now investigating the possibility of selling 5,000 tons a year to American and Canadian markets. This d mean that Britain's supplies will be cut, but there are hop New Zealand may be able to earn dollars by selling the 1½ p margin in hard currency areas.

Wool, the third staple primary product, is another cause c cern, but this time because of high, not low prices. It wa mixed feelings that the New Zealand Government saw th minion follow Australia and South Africa with record pr the opening sales in November—prices which would acce the possibility of serious inflation.

In industrial affairs, the New Zealand Government was start on the right foot by winning its first major trial of st This conflict occurred with the redoubtable waterside w who, with the coalminers, constitute New Zealand's chief problem. The dispute was over wage rates for handling lam —an age-old controversy on the New Zealand wharves—a refusal of the men to accept the rates laid down by the Wat Industry Authority. As soon as the men in Wellington we those in other ports followed, and all shipping was tied u National Cabinet met the situation by advising the Gov General to declare a state of emergency, under which the G ment was given wide powers to deal with the strike. This worked, and a week later the men went back. The Governm

turn, gave an undertaking to set up a Royal Commission to investigate waterfront conditions.

New Zealand takes politics very seriously, and from exchanges both inside and outside the House one might be pardoned for imagining that the Prime Minister and the Leader of the Opposition were generally at loggerheads. It was consoling, therefore, to see that the defeated leader, Mr Fraser—himself not unfamiliar with waterside troubles—immediately offered his services as mediator when the dispute broke out.

J. M. R.

Peaceful Uses of Atomic Energy

When, without warning, the subject of nuclear energy exploded upon the public mind, a vast amount of misleading information was immediately disseminated. Commentators not possessed of detailed information were often wrong or hazily speculative. Scientists who had worked on the project during the war published a certain amount of information on the Manhatten and associated projects, but this was mainly historical, as, for example, the excellent semi-technical document by H. D. Smyth,[1] who is now one of the five Commissioners of the Atomic Energy Organization in the U.S.A. The future of nuclear energy was considered by scientists mainly in terms of international control, as they were naturally appalled at the potentialities of the weapon they had created. Many discussions and references are to be found in the monthly Bulletin of the American Federation of Scientists.

In this country, there was at the end of the war no organization or industrial plant for the production of atomic energy, and no weapons, and it was inevitable that there should be strong pressure to develop a weapon of such importance. Immediately after the war, also, there was considerable hope in uninformed quarters that an application of atomic energy for the generation of electrical power was almost immediately possible. This idea unquestionably arose from a failure to appreciate the extent of the problems in metallurgy, engineering, and chemical engineering with which

[1] *Atomic Energy for Military Purposes*, by H. D. Smyth.

scientists were then faced. Much early optimism was ca
by the knowledge that in 1945 it would already have been
to build an atomic energy electricity generating station.
such a design would have been hopelessly uneconomic an
practical value in guiding future policy.

It was against this background that in October 1945 t
Government set up an Atomic Energy Research Establis
Harwell in Berkshire, under the direction of Sir John C
to study the subject of atomic energy and to give ad
assistance to a production organization which was set up a
Lancs., under the direction of Mr C. Hinton, in Februa

Immediately, and in conjunction, the two establishmen
the design of a research pile for early use by the Harwell
staff, and, shortly after, the design of larger piles for the pr
of plutonium. The military potential of the latter cannot, c
be discussed here, but they can also provide the fissile
needed for the development by Harwell of the reactor[1] pro

Present nuclear energy piles suffer from a number of c
tages for nuclear power production. First, constructional
such as aluminium, which are acceptable for nuclear
reasons, will not withstand the temperatures of many hu
degrees necessary for efficient thermal use. Secondl
materials suffer marked changes in physical properties
neutron bombardment in the pile, and this places an up
on the life of its internal structure. Thirdly, in order to use
as possible of the naturally occurring fissile material an
plutonium produced from the uranium 238, a periodical
processing is at present needed to remove fission prod
restore the physical properties of the fuel element. Unfo
the materials are highly radioactive, and this involves cost
handling techniques and special arrangements for disposal
It may well prove more economic to omit this processing a
at a later stage of development if uranium supplies are

Concurrently with this work, and to meet these difficult
teams of physicists and engineers at Harwell have been
considering the design of piles and reactors in whicl
temperature is achieved. This has led to the defining of pr
metallurgy, chemistry, and other fields of research, as v
physics and engineering, and these problems are now bein

[1] A pile using fissile material rather than natural uranium as a fu
is known as a reactor.

on in detail at Harwell and in industry. To explain the technical situation better it is worth surveying the background of the whole subject, beginning with a few elementary facts and continuing with some details of the Harwell programme.

An atom consists of a central nucleus of size about 10^{-13} cm. surrounded by electrons going around in orbits of size one hundred thousand times greater, i.e. 10^{-8} cm. In ordinary chemical processes the release of energy arises when atoms join together because their electron orbits intermingle. This is the energy we use in our normal everyday life, as, for example, when we burn coal in a fire or petrol in a motor-car engine.

It has been predicted for fifty years, and proven for about thirty, that energy is also released or absorbed when the central nuclei of atoms interact; but this is not normally possible, since they have positive charges and these mutually repel one another. The discovery in 1932 of the production of a neutral nucleus called the neutron changed this situation, since this nucleus could wander at will through matter until it hit another nucleus and was absorbed with the release of energy. In 1934 it was observed that uranium could absorb a neutron. Surprisingly, it was not until 1939 that physicists discovered that in doing so the uranium nucleus split into two main fragments and several more neutrons, with a very large release of energy. This discovery immediately suggested the possibility of a chain reaction, since for every neutron absorbed in uranium more than one was released, and energy was obtained in the process. The development of this technique led on the one hand to the explosive use of this energy in a uranium atomic bomb, and on the other hand to the controlled use in an instrument known as a pile. It is a matter of considerable interest to speculate on the result, internationally, if the discovery of fission had taken place five years earlier.

The explosive use of uranium requires the separation of the two different types of uranium of atomic weight 235 and 238, which requires, among other things, a very expensive diffusion plant. A pile, however, can use the ordinary uranium mixture and can be built in many different ways. The first piles consisted of uranium and graphite—a compact form of carbon. The carbon is built in the form of a large cube of side thirty or more feet, and through it there are channels in which the uranium lies in the form of rods. A coolant flows over the rods and takes away the heat of the nuclear reaction. Now only a part of the uranium is split up by neutrons.

The remainder is converted through an intermediate stage new element (No. 94 in the periodic table) called plutoniur this may be extracted chemically from the uranium. When e plutonium is collected together in one place, it will undei explosive chain reaction just as separated uranium 235 doe not very much is required. It is for this reason that pile built in the U.S.A. during the war. But these early piles water-cooled, so that the heat was of no practical use. If th could have been converted into electrical energy at say 20 pe efficiency, ten or even hundreds of megawatts could have obtained.

As soon as the war was over and the Atomic Energy Re Establishment was set up at Harwell, it was decided to together or to build the various facilities necessary to embar programme of pile and reactor construction and research. To the design of a pile one must be able to make nuclear pl measurements, and so, though not only for this reason, a cycl a Van der Graaff machine, electron accelerating machines, p detecting instruments, and much electronic counting equi have been constructed at Harwell. In addition, from expe gained during the war, two piles, Gleep and Bepo, have built. They are cooled by air and operate at low temperatur design of the larger one, Bepo, was begun in December 1 Montreal, Canada, ground was broken at Harwell in June and the pile was operating in July 1948. The design of the s one was started in April 1946 and it was operating in August These piles could be built with existing knowledge and now many measurements of importance to be made in connectio future pile designs. In addition they are of much use in othe which will be discussed later. It is interesting to note that th from the larger pile, Bepo, could be used for central heating pile were run on a semi-continuous basis, and this may in f done. But the temperature of operation is not sufficient to the raising of steam, and useful electric power could not be ob in appreciable quantities.

From an engineering standpoint a pile is rather unusual: all the normal coolants and constructional materials are un because they absorb too many of the neutrons which mainta nuclear reaction. Consequently Harwell engineers and ch engineers have been asked to consider such things as liquid coolants, which involve many new techniques of coolant flo

difficult problems of corrosion. The presence of the radioactive ionizing radiations in a pile accentuates the danger of corrosion, since they can accelerate chemical reactions and cause major changes in the physical properties of materials. An experiment which can be performed in any hospital is to place a piece of cellophane on the end of an X-ray tube. It will turn to power in a very short time. The same sort of thing can be caused by pile radiations.

One of the more important divisions at the Harwell establishment deals with metallurgy. It is forced to consider many metals for which little industrial experience exists, since the more usual ones such as iron and copper are unacceptable. Uranium also has a poor metallurgical behaviour, and the avoidance of difficulties in its use is in itself a major problem. Canning the uranium also presents difficulties. Chemically uranium is a highly reactive element, and must be protected from corrosion by the coolant in most pile systems. In addition, it is desirable to prevent fission products from escaping into the coolant from the uranium. Aluminium has been used for this purpose, but is not suited for operation in high temperatures. Beryllium has been suggested as an alternative material, but it is scarce and costly to work, and some alternative scheme is therefore well worth pursuing.

It will now be apparent why after many years the staffs at Harwell, and even in the U.S.A., are still unable to say at all precisely just what future there is in nuclear energy for, say, the economical generation of power. They are faced with opening up whole new fields in metallurgy and coolant techniques, and until these are explored one is unable to make accurate studies of feasibility. Nevertheless, enough has been learnt to know that technically one could build a pile to generate electricity, and that economically it is not hopelessly out of the question. Where economic considerations are not too rigid, as, for example, in warship propulsion, nuclear propulsion is practicable now.

Existing knowledge in the United Kingdom does not permit of the construction of economical small piles weighing less than a few hundred tons; with the possible exception of specialized ship propulsion, nuclear power therefore appears at present to be suitable only for electricity generating plant.

It must not be thought that nuclear energy could cheapen the production of electricity. Nuclear energy must be converted into heat, and the boiler in a generating station would be replaced by a heat exchanger fed from the pile. Much of the cost of electricity

lies in the distributing system, steam turbines, and generating equipment, and these are required as before. Capital costs of a nuclear energy pile, the fabrication and purification of the nuclear fuel, and the subsequent disposal of the radioactive effluent are therefore to be set against the cost of mining and transporting coal and the cost of the furnace system in which its energy is released. About 15 per cent of British coal output is used for electricity, and the amount is rising rapidly and at an increasing rate. In this country there is hardly any oil and very little water power, and consequently there is more incentive to develop nuclear energy here than in the U.S.A. and possibly in Russia. If Great Britain is to enjoy an increasing standard of living by having more power available, either more coal must be obtained or the utilization of uranium must be seriously considered. Proven coal resources in this country will last only 200 years at the present rate of consumption, and coal is also an important source of chemicals which should be conserved on this account. Soon 200 years will have passed since the beginning of the industrial revolution, and that is a relatively short time in a nation's history.

Uranium is very widely distributed in the earth's crust, but only as quite a minor constituent of the ore except in a very few areas, such as the Belgian Congo, where deposits with a high uranium content have been found. It is therefore of paramount importance and a matter of great urgency to discover new sources of rich ores, or to develop simple and cheap processes for working up ores containing perhaps only a few parts per million by weight of uranium.

Thorium is not directly a nuclear fuel, but it can be converted into a fissile material (uranium 233) by irradiation in a uranium pile. If a uranium 233 pile is built and has enough neutrons to spare, thorium can be introduced, and the pile will then consume uranium 233 and at the same time produce it from thorium. Such a pile has been called a breeder pile, and it is a matter of great interest to determine whether, under practical conditions, there would be a net increase or decrease of uranium 233 from it. Such a system would always require a chemical reprocessing plant periodically to remove fission products from the fuel elements, and yet avoid any appreciable ultimate loss of fissile material.

It has often been asked whether there is not some process other than fission whereby energy can be obtained from the nucleus. So far none can be seen which is of any peace-time value. The dis-

ns about a hydrogen bomb have recently focused public ion on a method of obtaining energy by combining nuclei of weight, rather than splitting up nuclei of large weight, but no method for the controlled release of such energy has be- clear. The combination of hydrogen nuclei to form helium source of the energy we receive from the sun and stars, at temperatures of well over one million degrees the natural ion of nuclei in atoms is overcome by the immense kinetic y of agitation of all matter.

ıas been seriously suggested that Great Britain should begin research on chemical methods of trapping the very large ıt of energy received from the sun. This is already done on a scale by burning wood from trees, but theoretically the nt of energy available is more than our needs, if more nt ways of harnessing it could be found. This method of sing our reserve of energy would be very permanent, but it a more long term project than the use of nuclear energy. It seem, rather, that we should press on with the development :lear energy if economical systems can be built. Relatively to costs, the cost of coal is likely to rise as the years go by, not ›ecause of the general difficulty of securing miners except at ally increasing wages, but also because of an increasing ty of coal, especially in this country.

e use of nuclear energy for the development of power is a :onsideration when discussing the peaceful application of ır energy. But the general interest in nuclear physics aroused e development of the atomic pile and the atomic bomb has d to a greatly expanded effort to develop and make use of the by-products.

›oth Great Britain and the U.S.A. Governments are financing gramme of pure research in nuclear physics. This programme directed to any specific practical application of nuclear y, but Government support is necessary for the work to ed, since the cost of modern nuclear physics machines for rating particles is outside the limits of normal University e or post-war private philanthropy.

experimental work, the nuclear physicist has devised many nes to accelerate electrons, and amongst these one of the interesting is a linear accelerator in which an electron is ly pushed down a brass tube by a wave of electromagnetic y and effectively drops through potentials of over one million

volts per foot. Such electrons can then impinge on targets to give intense X-ray beams with a wide range of applications. In industrial radiography such beams are used for the detection of flaws in metal structures. In medicine, the use of ionizing radiations such as X-rays is already widely known for both the diagnosis and treatment of various diseases, and many other new applications are now becoming practical. An extensive use of radioactive atoms, or isotopes as they are called, is now developing. These are made by placing substances such as cobalt in a nuclear energy pile. The substances then give off ionizing radiations when removed. Their behaviour is then similar to that of an X-ray source, and they can be used in medicine or industrial radiography instead of an X-ray or similar machine.

Isotopes also form an easily identified tracer material by virtue of their radioactivity. For example, radioactive sodium introduced into the blood stream can be traced as it is carried around the body, and so used for the investigation of blood flow. Among numerous industrial applications of radioactive isotopes are many types of tracer technique such as studies of gas and liquid flow, and rates of wear, as, for example, in motor-car tyres and engine cylinders. There are also certain specialized applications. For example, a strong radioactive source has been used to eliminate static charges which occur where non-conducting materials rub together, as in the paper industry. The absorption of radioactive radiations in their passage through matter also makes them suitable for use as a measuring gauge of thickness. Further, since a radioactive atom of an element will behave almost in the same way, both physically and chemically, as the normal stable forms, it is possible to label material by introducing radioactive atoms of the elements contained in it. This could be of great importance in following through an industrial process involving one of the precious metals, such as platinum. If a minute quantity of radioactive platinum is mixed with the ordinary material, any losses of platinum during the process could be immediately observed and tracked down by the radioactivity to be found at the point of loss.

In the last twelve months Harwell has made about six thousand shipments of isotopes, and demand is greater than supply.

No mention has yet been made of the large chemical effort associated with nuclear energy, but it will be apparent that a wide field of fundamental work is opened up in the study of the effects

diation on chemical processes and in the study of the many elements which can now be produced. Element 98 has now found in the U.S.A., and it will not be long before elements ie period table about 100 are being studied. It is of interest weighable amounts of the missing elements 43 and 61 in the odic system can now be made and studied.

concluding this brief review of the future of nuclear energy, may say that the prospects for nuclear power are measured in des, but that the by-products of the use of piles and other iic energy machines are likely to prove of immense and imiate value in all branches of science. The new technological lopments which are stimulated by the peculiar requirements iclear energy machines are likely to be of very great value to stry, especially as the passage of time reduces the security e of existing information.

J. V. D.

The Present Situation in Persia

H the continuation of the cold war, it is not surprising that the of the world should occasionally be turned towards Persia. graphy and oil have made it inevitable that she should play a in the relations of the Great Powers quite out of proportion er position in terms of military and economic power. It is ral, therefore, that there should be speculation as to the ise significance of the Perso-Soviet Barter Trade Agreement ed on 4 November 1950. The agreement consists of a note and appendices. The text of the note (as given in the Teheran r *Ittila'at* of 6 November, English Air Edition) is as follows:

LENCY:

I have the honour to confirm: hereby, that as a result of negotiaheld, the Imperial Government and the Government of the S.R. have agreed to resume trade in accordance with the Comial and Navigation Agreement of 25 March 1940; and for the year: ovember 1950 to 10 November 1951, quotas for the said trade fixed as per Appendices I & II attached herewith.

The purchase and sale of any commodity other than those stated

in the Appendices I & II will be concluded according to agreement to be reached between the Iranian Ministry of National Economy and the Soviet Trade Delegation in Iran.

3. The Ministry of National Economy will furnish all kinds of possible assistance to the Soviet Trade Delegation in Iran enabling the Trade Delegation to purchase and ship, within the specified twelve months, the full amounts of the Iranian products specified under Appendix II.

4. Likewise the Ministry of National Economy will provide all possible aid to the Soviet Trade Delegation in Iran with respect to the purchase of cotton and wool in addition to the quantity fixed under Appendix II, observing meanwhile the provisions of Paragraph 2 of this Note.

Both Governments will furnish the necessary aid and assistance for the execution of these aims.

ALI RAZMARA,
Prime Minister of Iran.

APPENDIX I

Soviet Goods for Import into Iran

1.	Loaf sugar	75,000 tons
2.	Iron, rails, and railroad appliances	30,000 tons
3.	Cement	20,000 tons
4.	Cotton piecegoods	50,000,000 metres
5.	China and artificial chinaware	20,000,000 rials by value
6.	Timber and forest wood	10,000,000 rials by value
7.	Paper and newsprint	10,000,000 rials by value

APPENDIX II

Iranian Goods for Export to Russia

1.	Rice	35 to 60,000 tons
2.	Cotton	3,000 tons
3.	Tobacco	10,000 tons
4.	Wool	1,000 tons
5.	Goat-hair	300 tons
6.	Oil seeds	4,000 tons
7.	Sheep and goat skin	300,000 pelts
8.	Lambskin	30,000 pelts
9.	Dried fruits and nuts	9,000 tons
	(Consisting of: 4,000 tons of raisins, 2,000 tons of almonds, 2,000 tons of dates, 1,000 tons of pistachios)	
10.	Gum tragacanth	500 tons
11.	Green cumin seeds	1,000 tons

The agreement is based on the 1940 Barter Trade Agreement. Consequently it is alleged that its ratification by the National Assembly and Senate is not required. Paragraph 3 of Art. 9 of the 1940 Agreement states that the Russian Trade Delegation may deal with (Persian) Government trade agencies and 'other com-

:ial establishments'. Persian public opinion appears to have rded a limitation of the contacts of the Russian Trade Delegation ealings with Persian Government Trading Agencies as an ntial safeguard against economic penetration becoming ely a prelude or cloak to political intervention. By stipulating the Russian Trade Delegation should deal only with Persian ernment Trading Agencies it was hoped to avoid direct act between the Trade Delegation and the Bazaar. Some ety has since been shown because the agreement just concluded ains no such stipulation, and this anxiety has not been entirely ed by the Prime Minister's declaration, made five days after igning of the agreement, to the effect that there had been an understanding that no Russians would have access to Persians were not officials of the Government Trading Companies. as yet too early to foresee how the agreement will work. Time will reveal its final purpose.

eanwhile news concerning Persia's internal situation is hardly uraging. The picture is one of a country torn by intrigue and ial distrust, a country in which the majority of the people are g in conditions of grinding poverty, a country in which :urity of all kinds prevails. There is little evidence of the ementation of the plans for social reform which have been h talked of in recent years, or of any improvement in the lard of life of the majority. Poverty remains the ever-present ty for all but a few. In so far as the Government and the ruling es take no effective steps to improve a state of affairs which for y is well-nigh intolerable, the possibility must always remain one day the patient Persian people, driven at last to despera- will look outside Persia for a solution to their problems; and, : Great Britain and the U.S.A. are widely, even if erroneously, ved to support the present ruling classes, plainly it is not to : Powers that the Persian people will look for help.

careful examination of news from Persia shows that the prob- which face her now are largely the same as those which con- ed her during and since the war years, and which she has so iiled to solve—one is almost tempted to say has not tried to . But can she afford to wait? Is not the pressure of world ts such that some concrete evidence of a real determination to ove the conditions of the people is urgently needed?

nong the perennial problems of Persia is the Constitutional Some observers, indeed, believe this to be the central prob-

lem, and are of the opinion that much of the instability a intrigue which prevails is due to an underlying disagreement as what is to be the nature of political power in Persia. How far it true that the fundamental problem is political rather than econ mic is a matter of dispute, but it is quite clear that the Constit tional question is still one which is considerably exercising t minds of politicians in Tehran. Somewhat over a month a Deputy Ha'erizadeh asked the Government, with reference interviews given by H.I.M. the Shah to certain foreign newspap correspondents, 'Have we to attach any importance to wh H.I.M. says, or is the Crown a sacred and lofty authority immu from (political) responsibility?' Furthermore, rumours have be current that once again a Constituent Assembly is to be summon to interpret certain articles of the Fundamental Laws.

These rumours are in themselves of little importance, but th reveal that the Constitutional question, which may seem perha comparatively unimportant to foreign observers, is of son moment to political circles in Persia, both because of the n inconsiderable feeling which it arouses, and because of t opportunity it affords to the unscrupulous to stir up passion and split the public into separate and hostile camps. Unsuccessf though the Constitutional Parliamentary Government has many ways been (and that not entirely for internal reason there is nevertheless among the people a considerable emotion attachment to the principles of the Constitution, however lamen able the shortcomings of their practical application may have bee It would be an error in judgement to underestimate this attac ment, whatever the temptations to approve the clearly evide tendency to push aside the National Assembly, which has admi tedly often shown itself obstructive and short-sighted in defence of the interests of the privileged classes.

But, on the other hand, it should not be forgotten that there is some quarters a very real fear of a return of dictatorship, and even stronger, though quite unfounded, suspicion that Gre Britain is at the back of the present ruling clique. It is large because of this misreading of the situation—wilful or otherwise that certain sections in the National Assembly have adopted attitude of obstruction towards successive Governments, to such extent that orderly government has, from time to time, been mac virtually impossible. Such critics suspect those who hold tl reins of power of a desire to misuse any power which they m

acquire, and fear also lest they should make undue concessions to foreign interests in return for some *quid pro quo* which would enable them to reinforce their own positions to the detriment of the country as a whole.

As long as there persists in Persia such widespread mutual distrust as prevails to-day, there is little likelihood of any real measure of reform being undertaken. While this fact can only be deplored, it cannot be denied that there are some grounds for mistrust. Comparatively large sums, for example, have disappeared into the maw of the Seven-Year Plan, with its elaborate organization and frequently changing direction; and so far there is little or nothing to show for it. Then again, there was the sorry story of the Committee of Refinement, which was supposed to purge the administration of corrupt elements. So absurd was the mismanagement of this affair that the cynical took it to have been intentionally staged with the express purpose of wrecking the whole procedure. And who is to say they were wrong? In any case, the Government itself tabled a Bill in the National Assembly to annul the findings of the Committee.

Meanwhile the old problem of decentralization versus centralization has again come to the fore. The new Prime Minister, Razmara, has promised the preparation of a Bill for the Establishment of Provincial Councils. Perversely enough, this proposal has met with considerable opposition. Few would deny the need to reverse the tendency towards over-centralization in Tehran, where the political and commercial activity of the country has been concentrated in recent years to the detriment of the provincial centres. Yet the Persian mind, which neither learns nor forgets, a victim to its own subtlety, sees in this step (a step which many who now oppose it have advocated in the past) the machinations of foreign Powers, in particular the U.S.A., and believes its real purpose to be to create political centres of resistance should Persia one day be invaded or overrun by the U.S.S.R. It is nevertheless clear that conditions in many of the provinces are far from satisfactory. To quote one instance only, Deputy Ruhi on a recent occasion drew the attention of the Government, in a long speech in the National Assembly, to the wretched condition of the people of Kerman.

It is indisputable that over-centralization has been one of the main causes in provincial decay, and therefore some measure of decentralization would seem desirable. Without the revival of a

healthy provincial life national recovery is hardly pc
Another trend which is giving rise to some anxiety is the
from the country to the towns, and this not because v
abundant in the towns—indeed there are indications th
reverse is true—but because conditions on the land are bec
more and more intolerable. In this connection it will be r
that Persia has recently received a credit for $500,000
President Truman's Point Four Programme, to be d
exclusively to rural improvement in the form of the establis
of technical training and demonstration centres in the l
provinces. It is to be hoped that this is only a prelude to el
measures to improve conditions in rural areas.

Much of the present criticism and dissatisfaction abc
Government's handling of affairs is perhaps premature: m
the problems are a legacy of the past, and responsibility fo
cannot be laid at the door of the present Government. The
been a tendency in the past to lump all reasonable and unr
able criticism of the Government's conduct of affairs togeth
to brand both indiscriminately as Communist. In this way
been only too easy for the Government in power to stifle legi
and healthy criticism, and to refuse to listen or give ef
demands which are in themselves reasonable, on the groun
they are Communist-inspired. It is to be hoped that th
Government will not fall into the error of its predecessors
action is dangerous, as was pointed out by Senator
Daftari in a recent speech. Whether those who desire
measure of reform are driven into the arms of the U.S.S.R.
will depend largely upon the action of the Government in ir
ing conditions. As things stand at present it is difficult to av
conclusion of Deputy Makki, who, interpolating the Gover
on 5 October, said, 'Social justice and law are without mea
Persia and nothing but the will of the rich, the powerful, a
influential rules in the country'. On the other hand, it is o
common for those in opposition to refrain from advocatii
supporting some practical policy which, while not spect
would ensure some measure at least of improvement in the
conditions of the majority. They tend to choose instead the
path of enlisting popular support by demagogic speeches esp
directed against alleged exploitation by British imperialists
magnates, and against the negotiations which have been pr
ing intermittently for some time with the Anglo-Irani

Company for the conclusion of a supplementary oil agreement. Here, too, some earnest of a genuine intention and readiness on the part of the opposition to support effective measures of reform, instead of reliance upon the all too easy appeal to popular emotions and a whipping up of feeling against a scapegoat in the person of a foreign oil company, would be a welcome sign.

One is tempted to ask whether the crux of the matter does not lie in an age-old inability of the Persian people to sink their differences and to achieve a compromise in order to work together for the common good. One should, of course, beware of blaming the Persian people for circumstances which are not entirely of their making and certainly not of their seeking. Willy-nilly, they are drawn into the vortex of Great Power politics. When it is remembered that, in addition to the complication of their relations with their neighbours, the small minority of the ruling class—or a group among them—has relatively unlimited money at its disposal, which it can, and does, use to prevent a diminution of its privileges, there is perhaps no need to look further for the answer to the question why the accomplishment of social reform in Persia is delayed.

M. S.

Economic Development in French West Africa

IN spite of widespread discussion of colonial development in relation to President Truman's Fourth Point, little has been published about development in the French Union. Not only is French West Africa the scene of a very considerable part of the French effort in overseas economic enterprise, but also many parts of it closely resemble the British territories in West Africa, which are, after all, only a series of increasingly larger enclaves cut out of it. Some account of what is being done there, and of the general economic position of French West Africa, may accordingly be of interest both in relation to British efforts, and against the wider background

of international interest in developing the underdeveloped ' Taken as a whole, French West Africa covers a very larg(for the most part sparsely populated. It consists of a grc eight territories, Niger, Dahomey, Upper Volta, Ivory French Sudan, Guinea, Senegal, and Mauretania. About t times the size of Great Britain, its 4·8 million square kilo carry not much more than 16 million people—much less th population of British Nigeria, which is only about one-fif size of its vast French neighbour. A broad distinction may be between the coastal areas, with a relatively highly deve agricultural production for export, and the interior zones, b ing increasingly arid as one moves northward from the At coast until the country shades gradually into the Sahara. N communications are poor, neither of the two major waterway Senegal and the Niger, being navigable for any considerabl tance by sizeable vessels in the dry season, and the latter broken up into relatively short stretches by falls. Before th more than half the exports of French West Africa took the fc oilseeds, and about five-sixths of these were groundnuts. important exports were cocoa, coffee, bananas, timber, an traditional 'gum arabic'; apart from small quantities of gold, relatively new export of industrial diamonds from Guinea, were no mineral exports, and little had been done eitl geological survey or commercial search for exploitable mir Table I gives the figures for certain exports in 1938 and succe years.

Table I

Selected Exports of French West Africa, 1938–1949

(*in metric tons*)

Product	1938	1945	1947	194(
Groundnuts	368,793	—	454	3,1
Groundnuts (decorticated)	169,400	94,809	191,723	208,1
Groundnut oil	5,681	33,503	35,908	55,4
Other oilseeds*	89,157	61,871	48,647	93,6
Palm oil	13,688	4,821	712	9,8
Cocoa	52,729	26,943	28,048	56,1
Coffee	14,479	39,207	44,052	63,7
Timber	40,533	10,044	48,755	81,8
Bananas	65,128	270	33,023	61,0
Total Exports	987,770	347,460	577,305	816,3

* Excludes copra but includes shea-nut butter.

A COLONIAL ECONOMY

The picture in 1938 was thus one of a typical colonial economy, including a number of areas, mainly in the coastal territories, in which monoculture had been pushed to the point at which subsistence food production had given place to imported foodstuffs. There was also a large internal area where poor communications, and resulting concentration on the more accessible coastal areas, had left indigenous society, with its mainly subsistence production, largely, if not entirely, untouched by the pressures of the western economy. This traditionally 'colonial' economy was reflected not only in concentration on a very small range of primary products for export, but also, of course, in imports, the most significant items being consumption goods such as cotton piece-goods, hollow-ware and the like, foodstuffs, especially rice and sugar, and capital goods such as cement, machinery, and trucks. French West Africa is notably deficient in sources of power. Neither coal nor oil have been found there, and even the development of hydro-electric power is made somewhat uncertain by the great variations both in the rate of flow at different seasons and in evaporation.

Table II
Selected Imports of French West Africa, 1938–1949
(*in metric tons*)

Product	1938	1945	1947	1949
Rice	41,101	53	29,879	37,398
Sugar	21,002	5,699	28,364	26,911
Cement	113,313	35,946	74,587	139,262
Coal	97,540	103,959	100,758	110,307
Petrol, etc	51,416	71,917	73,114	150,182
Cotton textiles	9,781	5,899	14,200	9,038
Iron and Steel	16,549	4,171	16,412	50,712
Trucks, cars, spares	2,463	1,171	8,726	17,977
Total Imports	557,600	345,300	594,833	919,350

This typical colonial economy was also heavily dependent on metropolitan France, a dependence which had been steadily increasing, except during the abnormal years in which France was occupied, when her place was taken first by French North Africa and later by the Allies. Since the war, France, aided perhaps by the currency controls which have been imposed in view of balance of payments difficulties, has not only recovered her place as the main customer but has also greatly increased her predominance as the principal supplier, as is shown in Table III.

Table III

The French Share in French West African Trade

(as per cent of Total Imports and Exports)

	1928	1938	1949
Imports from France	47	59	69
Exports to France	60	78	79

The effects of the war on the French West African econoı similar in kind to those experienced by other colonial territ including British West Africa, were notably more severe. In coal and petroleum imports virtually ceased, as did those of tı cars, and locomotives. Resort to wood fuel, and even attem develop palm-oil as a substitute for fuel-oil, proved inefficien the communications problem became acute. Rice imports, had been increasing in importance before the war as food pr tion was abandoned in favour of the more lucrative cash- especially in the groundnut areas of Senegal (the same phenon was strikingly demonstrated in the Gambia), fell from som or sixty thousand tons to a mere thousand or so in the same Attempts were made to stimulate increased local producti rice and millet, notably in the Sudan, and the maize prev exported from Dahomey was diverted to Senegal. Local proc industries, especially for the production of groundnut oil, c late, soap, and dried fish, were greatly developed, and lim brick works and saw-mills were established. Some of these dev ments have not survived, but the figures of exports of grou oil in Table I are eloquent of what has been done, during and the war, in this processing industry. Against this background apart from the shortage of personnel and equipment comm all colonial territories in the years immediately after the wa the special difficulties, both political and economic, conse upon the occupation of metropolitan France, it is not surp that plans for economic development were slow to start in F West Africa and have only lately begun to gather momentur the contrary, the magnitude of the effort which is being m remarkable.

POST-WAR DEVELOPMENT

The desire for something like a New Deal in the colonial common, in the first rapture of reconstruction, to all the colonial Powers towards the end of the war, was perhaps esp widespread in France after the Liberation because of the pa

colonies had played during the war. On the economic side, it resulted in the establishment in 1946[1] of a Fund for the Economic and Social Development of the Overseas Territories, commonly called, from the initial letters of its French title, F.I.D.E.S. Although the general conceptions of colonial development which were embodied in the law establishing this fund were similar to, and were in fact influenced by, those which inspired the United Kingdom Colonial Development and Welfare Acts, the actual mechanism it established to give effect to the new policy was very different.

The Development Fund was to be made up, in principle, both of contributions from the metropolitan Government and from the resources of the overseas territories themselves. The contribution of the metropolitan Government was to be made annually in the Budget; the territories' contributions might take the form of contributions from revenue, or of loans made to the territory by the Central Bank of Overseas France at nominal rates of interest and repayable by equated annuities over a period of twenty-five years, repayments being waived during the first five. The territorial contributions, which must be voted by the Local Assembly (in French West Africa the 'Grand Conseil' of the group, which is itself composed of members elected by each of the territorial assemblies), may only be spent in furtherance of the development plan of the territory, unless with the express consent of the Assembly. The Fund is managed by a Committee which, besides four 'parliamentarians', includes officials and experts appointed by the Ministries concerned and the Director General of the Central Bank of Overseas France. The Ministry of Overseas France was also empowered to establish Public Corporations or Joint Undertakings (in which both public and private capital participate) to assist in carrying out approved development plans to be drawn up for each territory. The Central Bank may take up shares in such bodies or make loans to them, or to local authorities or private enterprises, towards expenditure within the framework of projects for development which are approved.

In pursuance of this law, a General Development Plan for the Overseas Territories was prepared in 1946–7, by a Committee over which M. Pleven presided.[2] This document can only be re-

[1]Law of 30 April 1946 (No. 46–860)
[2]*Premier Rapport d'Ensemble sur le Plan d'Equipement et de Modernisation des Territoires d'Outre-Mer*, Paris 1948.

garded as a very general survey of the problems, with a discussi of desiderata. The next step was the drawing up of Ten-Y Plans for each territory, within the general framework of the Ple plan. Such a plan was duly prepared for French West Africa, a was in fact discussed by the Grand Conseil in 1948. But, as in British territories, considerable revision was imposed by clearer realization, in that year, of the balance of payments p blems of Western Europe, by the continuing increases in costs, a also by increasing experience of the technique and difficulties development planning in colonial territories. The changes in p cedure were effected by a decree of 1949.[1] In practice, this su stitutes for the Ten-Year Plan a series of four-year programn submitted annually, as the real basis of development financi Each programme is divided into a General Section, prepared the Ministry in Paris and settled by the Committee of F.I.D.E. and an Overseas Section, prepared by the Governor, approved the Local Assembly (the 'Grand Conseil' for French West Afric and submitted to the Committee of F.I.D.E.S. If the latter w to amend it, their proposals must be referred to the Local Asse bly, and if not adopted, the Assembly's further views must again referred to the Committee.

The nature of this machinery, and of the evolution which it undergone, makes it very difficult to ascertain exactly what are approved plans and how much has actually been spent to da The latter figure is important as affording some indication of progress being made in realizing the plans. But the figures are always easy to discover, and they are also difficult to interpret a to reconcile with each other. Moreover, it is not possible to d cover total public expenditure on social and economic develo ment, or, in other words, total public investment in a particu territory or group of territories, since much of the expenditu under the 'General Section' is in fact disbursed in the territor themselves, while advances and other assistance given by Central Bank of Overseas France to the various public, ser public, and private organisms for expenditure on projects witl the scope of the plan are not part of F.I.D.E.S. Similar difficult exist in British territories, but it is believed that the sums invol are proportionately much less significant. Table IV makes attempt to set out some of the information available, while Ta V shows the increasing momentum of expenditure.

[1] Decree of 3 June 1949 (No. 49–732).

Table IV
*The Development Plan in West Africa**
(in milliards of metropolitan francs)

Total Ten-Year Plan (1947–57)	273 3
Total approved schemes	69 9
Total estimates approved to 31.3 50	39 4
Total actual payments to 31.3.50	18·6

ures, except for the ten-year plan, relate only to 'overseas section' of ment programmes, and exclude items otherwise financed which are 1 in totals in Table VI.

Table V
Development Expenditure in French West Africa 1946–1950
*(in milliards of metropolitan francs)**

1946–7	1947–8	1948–9	1949 (2nd half)	1950 (1st quarter)
76	3·7	5 8	4·6	3 8

ing to successive developments, these figures exaggerate the increase in of investment in 1949 and 1950.

to the end of the first quarter of this year some £18½ million en spent directly under the Development Plan. This ignores liture for development included in the Territorial Budgets he General Budget of French West Africa as a whole, as s expenditure of the kind just described. Including such liture, this sum would unquestionably be very considerably sed, but no estimate can be given. Large sums are in fact devoted to social and economic development in French West : what are the principal fields in which economic develop- is being attempted? Table VI sets out the main heads of nic expenditure in the Ten-Year Plan and the total cost of ndividual schemes under each head as had been approved end of 1949, together with the total estimated cost of work h schemes up to that date.[1]

Table VI

Service	*Total Ten-Year Plan*	*Total cost of schemes approved by end of* 1949	*Approved Estimates to end of* 1949
iculture	8 2	7 8	4·2
ests	2 4	·7	25
imal Husbandry	21·0	6 5	1·1
draulic and Electricity	8·7	5 0	9
lways	38·6	20 9	4·1
ids and Bridges	66·8	27 3	4·7
ts	29 7	26 5	5·8
iterways	2·5	·5	·1
ital and Telecommunications	11 7	5·7	1·3

a in Table VI from *Le Plan Décennal de L'A O.F* and *Etat des opérations de modernisation et d'équipement*, Paris 1949.

IMPROVEMENT OF COMMUNICATIONS

The major effort is directed, as in almost all development plans for African territories, towards ports, roads, bridges, and railways. So far as the ports are concerned, the three important schemes are those for the further development and equipment of the port of Dakar; the enlargement and modernization of the port of Conakry, where special facilities are to be created for handling the large quantities of iron ore to be exported from it; and the development of a deepwater port at Abidjan by the construction of a canal at Vridi, joining the lagoon and the Atlantic. It seems probable that the development of a modern port at Abidjan, with the rich hinterland of the Ivory Coast, may well be the most significant of these developments (the canal was opened in July last), and may tend to diminish the relative economic importance of the somewhat eccentrically placed Dakar.

Roads and bridges are another large item. In 1939 French West Africa had 27,000 kilometres of 'all-weather' roads, but most of the other roads were little more than tracks, and even the alleged 'all-weather' roads were frequently not much better. Maintenance even of main roads was largely a responsibility of the hard-pressed district administration. With the help of considerable quantities of heavy road-making equipment, tractors, scrapers, and motor graders, a determined effort is being made to modernize the road system. It seems doubtful whether, in so large a country, road-building to the standards now aimed at will prove a practical proposition, at any rate for more than a comparatively small proportion of the roads. Nor is it clear that assumed savings in transport costs and in maintenance will really match the construction costs.

Railway expenditure is largely devoted to re-equipment in locomotives and rolling stock, and the re-alignment, and in certain cases doubling, of the permanent way. New construction is limited to the extension of the Abidjan-Bobo-Dioulasso line to reach Ouagadougou, the administrative capital of the Upper Volta territory. This should be finished in 1952, but it does not seem that the priority given to the work is mainly based on economic grounds. The other new constructions proposed—the extension of the main route from Dakar to the French Sudan to reach Segou, the headquarters of the great Niger irrigation project, and a branch of the line from Abidjan, from Anoumba to Daloa, which would open up the south-western region of the Ivory Coast—

both appear, though little evidence is available on which to make a judgment, more fully justified on purely economic grounds.

PRODUCTIVE CAPACITY

To turn from the basic economic services of the territories to productive industry, major emphasis is placed, of course, on agricultural production and animal husbandry. First priority has been accorded to rice: its increased production would both raise the local standard of living and reduce the territory's dependence on external supplies of this essential foodstuff, and make it possible to continue and even increase the specialization, within the group as a whole, of areas such as large parts of Senegal, which are specially suited to groundnuts or other export crops. The two areas in which rice production will be expanded are in the Sudan, in the new irrigable areas controlled by the 'Office du Niger', which already produces some 8,000 tons for use elsewhere, and in the Senegal, not far from Saint Louis. In both areas irrigation and mechanized methods are being used, and at present both are working on an experimental scale.

In addition to rice, each territory has one product on which efforts are being concentrated: groundnuts in Senegal, iron-ore in Guinea, in the Ivory Coast wood and wood products, in Dahomey oil palms, in Sudan, Niger, and Mauretania animal husbandry, and in Upper Volta shea-nuts. In all these works public and semi-public companies—'Sociétés d'Etat' and 'Sociétés d'économie mixte'—are widely employed. One of the most important of these is the 'Compagnie Générale des Oléagineux Tropicaux' (C.G.O.T.), which is responsible for schemes for the mechanization of ground nuts in Senegal and Casamance. Little data has been released on progress on these schemes. Although the ultimate size of the Casamance project may be very great, it is understood that some 14,000 acres have so far been cleared and planted. Difficulty has been experienced, both in clearing and mechanical reaping. Difficulties of another kind have also arisen in the rapidly developed oil expressing industry, which in 1949 was unable to secure an adequate quota on the metropolitan market owing to pressure from metropolitan industry. Under the direction of the 'Institut de Recherches des Huiles et Oléagineux'—another joint undertaking of Government and private enterprise—two oil-mills have been built, for the production of palm oil, one in Dahomey and one in the Ivory Coast, with a capacity of from 1,000 to 4,000 tons

of oil annually, and three more have been begun, which should be in operation next year.

In animal husbandry, the main expenditure is on research and demonstration farms, the construction of cattle dips, and an extensive programme of 'hydraulique agricole', wells, dams etc. Sawmills, plywood manufacture, and an experimental paper pulp factory are being established in the Ivory Coast, the last under the auspices of another semi-public concern, the 'Régie Industrielle de la Cellulose Coloniale'. Its pilot installation will have an output of 4,000 tons of paper annually and will utilize all species of timber. Finally, a public corporation, the 'Bureau Minier', is pursuing a considerable programme of prospecting for minerals, notably for the copper discovered in Mauretania and phosphates in Senegal Exports of iron ore and bauxite, both of which are being exploited by private companies in Guinea, should begin in 1951–2.

It is no more easy to estimate the prospects of success in the vast range of activities included in the development schemes now in hand in French West Africa than in other colonial territories. Much will depend on whether it is possible to reduce and perhaps eliminate a certain 'folie de grandeur' not always lacking there, as in other territories, British, as well as foreign, in the immediate post-war years. Above all, the place of the African in some of this development is not entirely clear. A French critic has said 'L'Afrique va peut-être se construire, malgré les Africains, et . . elle risque de se faire sans eux.'[1] Without going so far as that, the main doubt must be whether too large a part of the resources available is not being put into 'mechanization' in all sorts of processes, and too little into a more widely diffused improvement of technique in African industry and production. But on these matters only individual judgments are possible. That a considerable effort is being made is not open to doubt.

K. E. R.

[1] L. Durand Réville: *Compte Rendu de l'Académie des Sciences Coloniales*, IX, p. 794.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

AGENTS IN THE UNITED STATES AND BRITISH COMMONWEALTH

or *The World Today* and Supplement *Chronology of International Events and Documents*

Orders may be sent to the addresses given below. Rates are for annual subscriptions and are given in the currencies of the countries concerned.

	The World Today	*Suppl ment*
AUSTRALIA		
Australian Institute of International Affairs, 369 George Street, Sydney, N.S.W.	16s.	22s.
NEW ZEALAND		
New Zealand Institute of International Affairs, 9 Himalaya Crescent, Wellington, E.5	12s 6d	17s. 6
PAKISTAN		
Pakistan Institute of International Affairs, Frere Hall, Karachi	Rs. 6	Rs
SOUTH AFRICA		
South African Institute of International Affairs, 88 Fox Street, Johannesburg	12s 6d	17s. 6
UNITED STATES and CANADA		
Royal Institute of International Affairs, New York Publications Office, 542 Fifth Avenue, New York 19	$2 50	$3 5

THE ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS

The Institute was founded in 1920 and is both unofficial and non-politic Its objects, as set out in its Royal Charter, may be briefly summarized as follow

To encourage the scientific study of international politics, economics, a jurisprudence

To facilitate the exchange of information, knowledge, and thought on the subjects, and to provide and maintain means of information thereon

To encourage the formation of branches and committees throughout t Commonwealth and Empire

The principal ways in which the Institute fulfils these objects are: resear by individual authorities or by groups of experts; publications embody these and other researches; meetings and private discussions addressed leading authorities; an Information Department which supplies the facts a figures on current international questions; a comprehensive collection of Briti and foreign Press Archives from 1915 onwards; and a Reference Library nternational affairs

Membership of the Institute, which is limited in number, is confined British subjects who must possess an expert or a specialized knowledge some aspect of international affairs. Candidates for membership must nominated by two members known personally to them.

The Institute is precluded by its Charter from expressing, as a body, opinion on any aspect of international affairs, a ruling made in order to sa guard its work from propaganda or political influence and to promote the f expression of individual opinion.